

W&RSETA SECTOR SKILLS PLAN (SSP) 2024 – 2025

FINAL SUBMISSION

Updated 01 AUGUST 2023



**higher education
& training**

Department:
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REPUBLIC OF SOUTH AFRICA

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I. FOREWORD

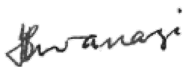
This final version of the Sector Skills Plan (SSP) for the Wholesale and Retail Sector Education and Training Authority (W&RSETA) for 2024/25. The SSP is prepared in accordance with the Department of Higher Education and Training Science and Technology (DHET) Sector *Skills Plan Framework and Requirements (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 and opportunities, 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. The stakeholder consultations have been completed and WorkplaceSkills Plan (WSP) / Annual Training Report (ATR) analysed, and this input has been used to inform this SSP submission.

We have considered national policy issues in the *Economic Reconstruction and Recovery Plan (ERRP)*, *Presidential Youth Unemployment Initiative*, *New Growth Path (NGP)*, *Human Resource Development Strategy of South Africa (HRDSA)*, *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 the Department of Higher Education and Training Science and Technology in compliance with the requirement of the *Skills Development Act 1998 (as amended)* and the *National Skills Development Plan (NDSP)*.

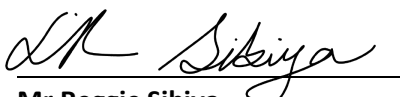
APPROVED BY:



Mr Tom Mkhwanazi
Chief Executive Officer (CEO)

31/07/2023

Date



Mr Reggie Sibiya
Board Chairperson

31 July 2023

Date

II. EXECUTIVE SUMMARY

The W&RSETA Executive summary highlights the key areas of the SSP per chapter and indicates the progress made in the annual development of the SSP.

Chapter 1 (Sector Profile): The trade sector¹ employed 3.25 million active labour force in the fourth quarter of 2022.

- **Economic performance:** South African gross domestic product (GDP) declined by 1,3% in the fourth quarter (October–December).¹ Growth was dragged lower mainly by finance, trade, mining, agriculture, manufacturing, and general government services. Seven of the ten industries contracted in the fourth quarter. The finance, real estate & business services industry shrank by 2,3%.
- **Economic performance of W&R Sector:** The South African wholesale trade and retail trade industries retail trade sales decreased by 0,5% year-on-year in February 2023.
- **Labour market profile:** The trade sector employed 3.25 million people in 2023, which is over 20% of all employment. It is important to note that inadequate electricity supply and COVID-19 may have influenced reduced GDP growth and employment in the sector from early 2020 onwards.
- **Representation of people with disabilities within the sector:** According to the report by Commission for Employment Equity (2018-2020), people with disabilities are least represented in the South African labour market and access remains a challenge. Only 5% of wholesale and retailworkers are people with disabilities.

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:

- **Inadequate electricity supply (Loadshedding):** Inadequate electricity supply, primarily due to load shedding, poses significant challenges to the wholesale and retail sector in South Africa. It results in reduced productivity, increased costs, and skills gaps within businesses. Interruptions in operations lead to lower productivity and output levels, while additional expenses incurred for alternative power sources impact profitability. Moreover, the need to adopt and operate these sources creates a skills gap that requires Technological attention.
- **Technological 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.
- **Data Privacy and Protection of Personal Information Act:** All businesses in South Africa are now required to adhere to the requirements of the Protection of Personal Information Act. These requirements can be onerous for businesses, especially for SMMEs (for example, the requirement of all businesses to appoint an Information Officer. POPI will require a fundamental shift in how businesses store data and how they market themselves. Furthermore, cybersecurity and IT literacy skills will become essential as most data is stored on servers or in the cloud.
- **SMME development:** The SMME sector is large and sources products from wholesalers. Changes include small enterprise development, hawkers, casualisation and new training model.

¹ "Trade" here refers to wholesale and retail trade; repair of motor vehicles, motorcycles, and personal and household goods; hotels, and restaurants.

Key policy drivers for the sector include:

- IPAP 4;
- New Growth Path (NGP);
- National Development Plan (NDP);
- HRD Strategy for SA (HRDSA);
- Department of Environmental Affairs Integrated Development Plan (IDP);
- Tourism Sector Skills Plan; and
- Broad Based Black Economic Empowerment (BBBEE).

Changing Expectations of W&R Stakeholders: The expectations of customers, employees, suppliers, and investors are constantly evolving and changing over time. For example, employers are encouraged to be more aware and responsive to differences in employee cultures and religions. Customers expect a faster reaction time from their preferred stores. Competition is experienced from global traders. Furthermore, consumers are more inclined to support businesses who operate ethically with a sustainable environmental footprint. With the rise in access to information, consumers can easily seek out retailers who demonstrate adherence to sustainable environmental plans. These matters require employees to be skilled and knowledgeable in HR practices, environmentally friendly practices and be aware of the local and global economic and political practices and undertakings.

Chapter 3 (Occupational Shortages and Skills Gaps):

- **Sectoral Priority Occupations:** Retail General Manager; Retail Buyer; Safety, Health, Environment and Quality (SHE&Q) Practitioner; Blockman/Butcher; ICT Security Specialist; Visual Merchandiser; Confectionary Baker; Inbound Contact Centre Consultant; Software Developer; and Data Scientist.
- **Skills gaps:** Forklift Training; Harassment²; Product Knowledge; Occupational health and safety; Warehouse Management; Financial Skills; Digital and 4IR skills; Systems Skills; Labour Relations / HR; and Supervisory, Leadership and Mentoring Skills
- **Emerging and top-up skills:** Change Management, Business Management, Conflict Resolution, Digital Marketing and Social Media Management, Data Analysis and Business Intelligence and Numeracy and Analytical Skills.

Chapter 4 (Sector Partnerships): The W&RSETA has partnerships with TVETs and Universities, training authorities and developmental agencies nationally and internationally which are working well. Further partnerships have been planned to achieve research objectives. There is also a need to put measures in place that ensure that said partnerships are a success.

Chapter 5 (SETA Monitoring and Evaluation (M&E): The W&RSETA conducted Workplace Based Learning (WBL) tracer studies targeting learnerships and internships beneficiaries under the NSDP. The aim of which was to investigate the destinations of learners who completed workplace-based learning (WBL) programmes funded by W&RSETA. The M&E information forms the basis of plans as the SETA uses performance reports as well as evaluation findings to inform future.

Chapter 6 (Prioritization 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 has been reviewed and aligned to key findings and recommendations mentioned from the data analysis report.

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

1. **Priority Skills Plan (PSP):** The Priority Skills Plan is intended to ensure that skills do not become a hindrance to economic growth and job creation. To guard against this, the SETA will identify key skills

² This refers to the skills required to manage harassment in the workplace.

and occupations to support that will assist the labour market in the short term. Industry consultation to identify skills and develop priority skills necessary for economic growth and job creation within the digital economy.

2. **SMME and Co-Operatives development:** These enterprises must be supported with skills development. Alternative and new training models, as well as more active engagement from SMMEs, are needed to meet the needs of SMMEs.
3. **Youth Unemployment:** The retail sector provides significant temporary employment opportunities for the youth. The challenge is to convert these into permanent employment and encourage career development in the sector.
4. **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.
5. **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.
6. **Sector Transformation, including Training and Employment of People with Disabilities (PWD):** Despite progressive legislation and a commitment from the government, PWD does not have the same opportunities as others. Therefore, the SETA needs to prioritise skills development interventions to improve access to training, education, and employment for PWD. The W&R sector remains untransformed. There is poor representation from Black, Indian, and Coloured individuals in top and senior management. The demographics of the sector (and broader country) are not reflected in the demographics in leadership positions.
7. **Economic Recovery and Reconstruction Plan:** The W&RSETA is planning several interventions to respond to the ERRP, including Capacitation Workshops and Trading Vouchers: ITAMED (Informal Traders and Micro Enterprises Development), Entrepreneurship Development Programme, SME Grant (Small and Micro Enterprise Grant).

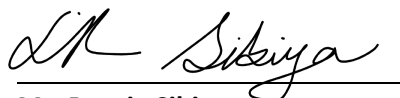
Yours faithfully,



Mr. Tom Mkhwanazi
Chief Executive Officer (CEO)

31/07/2023

Date



Mr. Reggie Sibiya
Board Chairperson

31 July 2023

Date

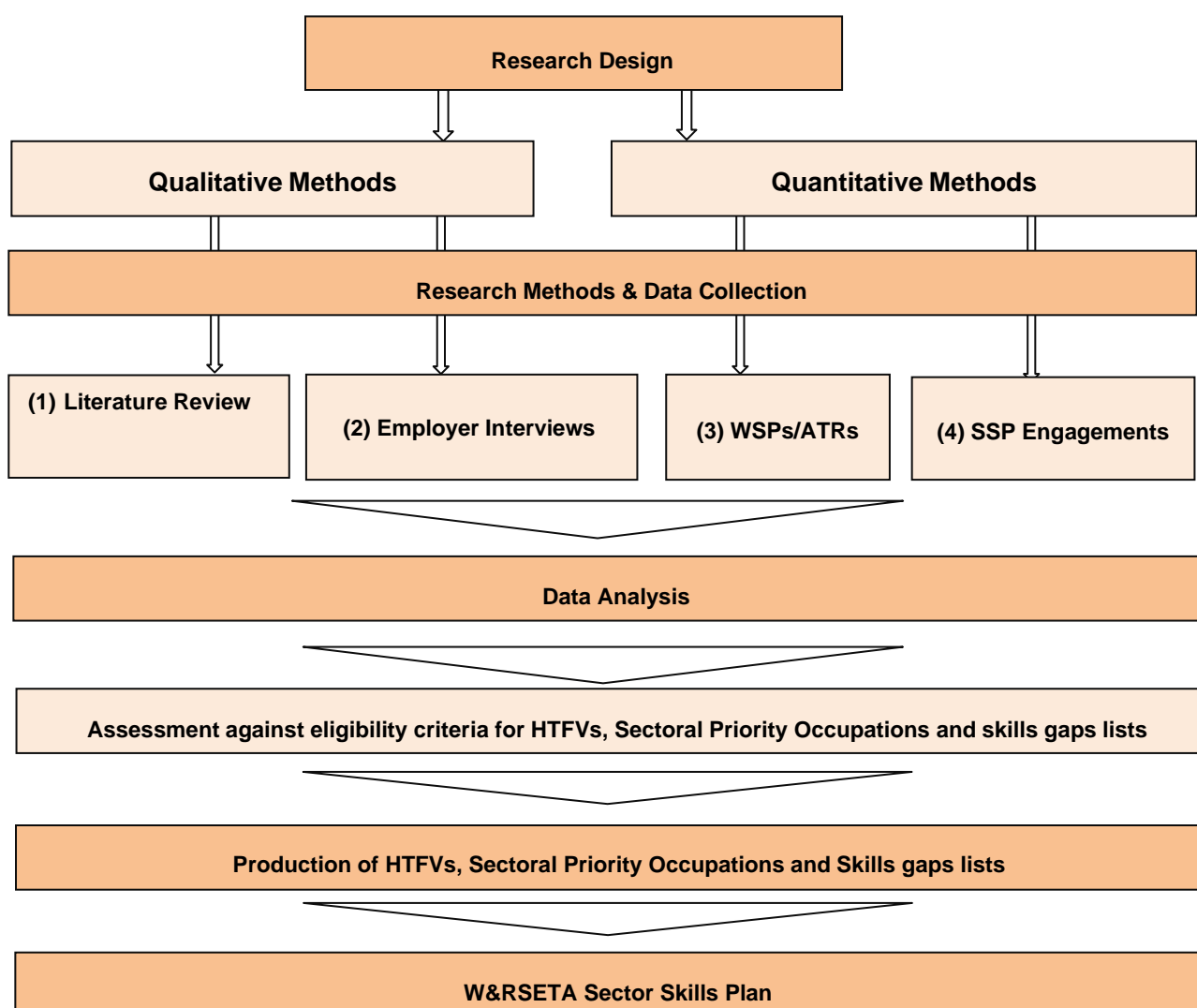
III. RESEARCH DESIGN AND METHODOLOGY

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 used for the SSP includes both qualitative and quantitative methods for research and data collection. Qualitative methods include relevant literature and responses from W&RSETA employer interviews. Quantitative methods entail WSP/ATR data (2023) and data obtained from SSP engagements with stakeholders within the W&R sector. The data obtained is then analysed and assessed against relevant eligibility criteria to form HTFVs, Sectoral Priority Occupation and skills gaps lists. The different lists and data are used to create the relevant chapters of the Sector Skills Plan.

The research design is as follows:



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

i. Research Methodology

The research methodology used to determine critical, HTFVs and Sectoral Priority Occupations is intended to be 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 the identification and anticipation of HTFVs and Sectoral Priority Occupations, all companies, including micro-enterprises participate in the research.

The primary research methods used are shown in the table below:

TABLE 1: PRIMARY RESEARCH METHODS

IMPACT EVALUATION STUDY ON THE YOUTH FOCUS PROJECT	
Objective	The objective of the study was to assess the impact, efficiency, and effectiveness of the Youth Focus Project implemented by W&RSETA in 2018-2020. It also aimed to identify the strengths and weaknesses of the project and provide recommendations for future improvements
Data Collection Tools	Telephonic and online surveys.
Number of Stakeholders	200 responses received from the survey & 3 interviews were held with key stakeholders
Sampling	Random as per DHET guidelines
Period	March 2022
IMPACT EVALUATION STUDY ON THE RURAL AREAS LEARNERSHIP (INFORMAL SMALL BUSINESS PRACTICE)	
Objective	The objective of the study was to assess the efficiency, effectiveness, and impact of the Rural Areas Learnership (Informal Small Business Practice 2018/19) implemented by W&RSETA. The study aimed to analyse the project's goals, inputs, outputs, and its impact on the beneficiaries and their livelihoods. It also identified the strengths and weaknesses of the project and provided practical recommendations for future projects.
Data Collection Tools	stakeholder interviews, focus groups and online and telephonic surveys, and desktop research.
Number of Stakeholders	9 (stakeholders) 116 (telephonic and Online Surveys) & 2 focus group discussions
Sampling	Random as per DHET guidelines
Period	March 2022
TRANSFORMATION TO ADVANCE BUSINESS SUSTAINABILITY AND RESILIENCE, WITH A FOCUS ON BUILDING ENTREPRENEURSHIP	
Objective	The study aimed at exploring transformation to advance business sustainability and resilience, particularly focusing on entrepreneurship development.
Data Collection Tools	literature review, Online survey & Stakeholder engagement
Number of Stakeholders	N/A
Sampling	Random as per DHET guidelines
Period	February 2022

Data Collection Tools	Online SME SSP Survey
Number of Stakeholders	Active
Sampling	Random
Period	May - July 2023
IMPACT EVALUATION TOOL: BENEFICIARIES OF W&RSETA PROGRAMMES	
Objective	The objective of the study was to assess the socio-economic status of bursars, graduate placement, and learnership recipients, monitor the return on investment, and evaluate the effectiveness of the programmes in meeting the employment prospects of young people in the Wholesale and Retail sector. The study aims to provide data-driven insights that can be used to enhance future programme implementation and strengthen the W&RSETA's responsiveness to labour market developments.
Data Collection Tools	Online Survey (Quantitative)
Number of Stakeholders	608
Sampling	Random (SETA beneficiaries)
Period	November 2022- August 2023

In addition to the above, the following primary research studies commissioned by the W&RSETA were reviewed:

The research reports reviewed in the process of updating the SSP for the wholesale and retail sector cover a wide range of topics. The studies commissioned by the W&RSETA cover areas such as the impact of their programmes on persons with disabilities, the economic and social impact of COVID-19 on the sector, the implications of 4IR on new jobs, and the evaluation of blended learning and training interventions.

Other reports include the impact of PIVOTAL programmes, stakeholder analysis, the development of a model for establishing centres of specialisation, embracing local economic development through skills needs of cooperatives and SMEs, and the review and update of the career matrix.

Additionally, there are reports on new career opportunities resulting from 4IR, the strategic framework for career guidance delivery, benchmarking national and international career guidance practice, skills supply and demand in South Africa, and the impact assessment of the W&R sector's international leadership development programme (ILDP).

Other studies evaluated the impact of training programmes such as the retail management development programme (RMDP) and the South African Disability Development Trust (SADDT). There are also reports on expansion into Africa by SA retailers, COVID-19 economic surveys for SMEs, workplace-based learning tracer studies, and a research study on linking education and work.

Finally, there are assessments of skills development interventions to support graduates with access to sector employment and entrepreneurship opportunities and strategic evaluations of suitable learning programmes for the employed and unemployed. These research reports provide important insights into the challenges and opportunities facing the wholesale and retail sector in South Africa and help inform the development of the SSP.

The following secondary data sources were used:

- Trading Economics;
- Stats SA;
- DHET and HEMIS data; and
- WSP and ATR data (2023), are analysed.

ii. Data Analysis and Findings

Sector Profile (Chapter 1): Data from the literature review and WSP/ATR (2023) were used to construct the sector profile.

The following are some of the data used in this chapter:

- Statistics South Africa reports (incl. Gross Domestic Product: Fourth Quarter 2022);
- QLFS Q4 (2022);
- Statistical Release: Retail Trade Sales;
- Statistical Release: Wholesale Trade Sales;
- CEE Annual Report (2020-2021): Department of Labour; and
- W&RSETA Annual Report (2021/22).

Key Skills Change Drivers (Chapter 2): Data from the literature review and workshops were 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, interviews and provincial engagements, WSP/ATR (2023) and HTFV survey 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 are 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:

1. Annual Report
2. Annual Performance Plan (APP)
3. M&E Framework
4. ERRP Survey Tool

SETA Prioritization 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 are prioritised in the first year of implementation are also reflected. The SETA strategic priorities are reflected with key priorities in the Integrated Development Plans, below are the priority skills action:

1. Priority Skills Plan (PSP)
2. SMME, Cooperatives and Informal Traders Development
3. Youth Unemployment
4. Hard-To-Fill Vacancies (HTFVs) and Skills Gaps
5. Stakeholder Engagement
6. Sector Transformation, including Training and Employment of People with Disabilities (PWD)
7. Economic Recovery and Reconstruction and Recovery Plan

IV. ACRONYMS

Acronym	Description
ATR	Annual Training Report
AOP	Annual Operational Plan
CGCSA	Consumer Goods Council of South Africa
COVID-19	Coronavirus disease of 2019
DHET	Department of Higher Education and Training
ERRP	Economic Reconstruction and Recovery Plan
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
NSA	National Skills Authority
NSDS	National Skills Development Strategy
OFO	Organising Framework for Occupations
PIVOTAL	Professional, Vocational, Technical and Academic Learning
PWC	Price Waterhouse Coopers
PWD	People with Disabilities
QCTO	Quality Council for Trades and Occupations
QLFS	Quarterly Labour Force Survey
RA	Retailers Association
RMI	Retail Motor Industry Organisation
RMDP	Retail Management Development Programme
SARS	South African Revenue Services
SETA	Sector Education and Training Authority
SIC	Standard Industrial Classification
SIPs	Strategic Infrastructure Projects
SME	Small and Micro Enterprises
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

1 CHAPTER ONE: SECTOR PROFILE

1.1 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 a literature review (such as reports written on sector trends), Workplace Skills Plan (WSP)/Annual Training Report (ATR) data and data analysis (such as statistics released by Statistics South Africa).

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 in the *Act*, accompanying *regulations* and the *National Skills Development Plan (NSDP)*.

Wholesale trade deals with the bulk buying of goods from various manufacturers and the breaking down of this bulk into smaller quantities which are then sold directly to consumers. *Retail* trade deals with the buying of goods from the wholesaler and selling of such goods to the consumer. The activities that fall within the scope of the wholesale and retail sector are 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:

TABLE 2: SCOPE OF COVERAGE

SIC Code	Trade Category
Major Division 6: Wholesale and Retail Trade; Repair of Motor Vehicles, Motorcycles and Personal and Household Goods; Hotels and Restaurants	
61000	Wholesale and commission trade, except for motor vehicles and motorcycles
61100	Wholesale trade on a fee or contract basis
61200	Wholesale trade in agricultural raw materials, livestock, food, beverages, and tobacco
61220	Wholesale trade in food, beverages, and tobacco
61300	Wholesale trade in household goods
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
61400	Wholesale trade in non-agricultural intermediate products, waste, and scrap
61420	Wholesale trade in metal and metal ores
61430	Wholesale trade in construction materials, hardware, plumbing and heating equipment
61500	Wholesale trade in machinery, equipment, and supplies
61501	Office machinery and equipment, including computers
61501	Other Machinery
61900	Other wholesale trade
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
62100	Retail trade in non-specialised stores with food, beverages, and tobacco dominating
62110	Other retail trade non-specialised stores
62190	Other retail sale in non-specialized stores

SIC Code	Trade Category
62200	Retail trade in food, beverages, and tobacco in specialised stores
62211	Retail trade in fresh fruit and vegetables
62212	Retail trade in meat and meat products
62213	Retail trade in bakery products
62220	Retail trade of beverages (bottle stores)
62230	Other retail trade in food, beverages, and tobacco (nec)
62300	Other retail trade in new goods in specialised stores
62310	Retail trade in men's and boy's clothing
62320	Retail trade in ladies' and girls' clothing
62400	Retail trade in second-hand goods in stores
62500	Retail trade not in stores
62510	Retail trade via mail-order houses
62511	Retail trade-in books via mail-order houses
62519	Other retail trade via mail-order houses
62520	Retail trade via stalls and markets
62590	Other retail trade not in stores

SOURCE: (STATISTICS SOUTH AFRICA, 2012)

1.3 Key Role Players

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

TABLE 3: KEY ROLE PLAYERS IN THE WHOLESALE AND RETAIL SECTOR

Key Role Players	Roles and Areas of Expertise	NSDP Outcomes Alignment
Organised Employers		
NSDP Outcomes 1 & 2		
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. 	<ul style="list-style-type: none"> Engaging workplaces to enable them to provide increasingly relevant data on the skills of their existing workforce as well as projected skills needs, through relevant templates. Engaging stakeholders (including but not limited to employers, labour, and government) to ascertain their perceptions of future trends in their sectors and the implications of these for the demand and supply interventions signals to steer the supply of skills, Continuously exploring the implications of the findings from the workplace data and stakeholder engagement concerning sector trends and national policy priorities; and effective and meaningful stakeholder engagement to support ownership and participation among stakeholders which include social partners, individuals, employers, labour, providers, prospective learners, and the public.
W&RSETA Board		
NSDP Outcomes 2 & 3		
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 governance guidance. To approve the W&RSETA SSP. To approve the Strategic plan and budget. 	<ul style="list-style-type: none"> Improve the governance oversight, monitoring and evaluation mechanisms and capacity, with strong social partners' involvement. Institute mechanisms to ensure that actions are taken based on findings from these monitoring and evaluation systems. This, to understanding the strengths, challenges, and impact of the system. Review the system where evidence suggests that there are obstacles that are preventing the realisation of the agreed-upon outcomes. This will ensure that the Minister [of the Department of Higher Education and Training (DHET)] can act where there is non-performance or maladministration. Introduce mechanisms for instructions to the SETAs by the Minister, where there are challenges; and Review the SETA Standard Constitution to strengthen governance and accountability mechanisms. The decision about numbers on the Accounting Authority will take into consideration the nature of the sector (for example, the number of sub-sectors) and the need to support effective decision-making and good governance. The accounting authority will continue to have governing powers and steer the sector in terms of the scope (mandate and functions) of the SETA whilst, the management of the SETA will focus on operational and administrative roles; and The roles and responsibilities of the accounting authority will further be defined. This will include a clear statement regarding conflict of interest and guidelines regarding the number of meetings per annum and the rates at which members of the Accounting Authority are remunerated.

Key Role Players	Roles and Areas of Expertise	NSDP Outcomes Alignment
Organised Labour		
NSDP Outcome 7		
<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)</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. 	<ul style="list-style-type: none"> Skills levy institutions will work with the federations/trade unions in their sectors in identifying the required skills needs, especially in better understanding the sectors and implementing the relevant interventions. Engaging stakeholders (including but not limited to employers, labour, and government) to ascertain their perceptions of future trends in their sectors and the implications of these for the demand and supply interventions signals to steer the supply of skills; and Trade unions and worker education and training initiatives are able to use the critical networks of their organisations (e.g., shop stewards and union officials) to educate their members and other workers to suit their needs in a manner that is also beneficial to the economy.
Training Providers		
NSDP Outcomes 4 and 5		
<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; and Community Colleges.</p>	<ul style="list-style-type: none"> Represent interests of training providers – public and private. Contribute to education and training, quality assurance, curriculum development. 	<ul style="list-style-type: none"> The delivery of programmes against qualifications (on all the sub-frameworks) that support economic growth, encourage employment creation, and enable social development for workers, unemployed and pre-employed (students). Facilitating workplace-based experience as part of a qualification or a postgraduate qualification with a specific focus on occupations that support growth, encourage employment creation, and enable social development. Support for, and prioritisation of, Centres of Specialisation, where possible. Support for TVET colleges in implementing occupationally directed programmes; and Partnerships and collaboration with the higher education and research institutions, amongst others will be central for evidence-based understanding of skills demand and supply.
Community		
NSDP Outcome 6 & 8		
<p>South African Community at large.</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, and advancement of women. 	<ul style="list-style-type: none"> Social partners will continue to play an active role, amongst others, in SETA Accounting Authorities and the National Skills Authority (NSA), these roles will be further elaborated in the Act and relevant skills development Regulations with key responsibility for the implementation of the NSDP. Career development services (including material) must be accessible to all, especially in rural areas and targeted beneficiaries; and Ensure that prospective learners and the public are aware of when and how to apply for programmes and have access to a simplified process.

1.4 Economic Performance

This section provides an economic profile of the W&R Sector for 2022/23

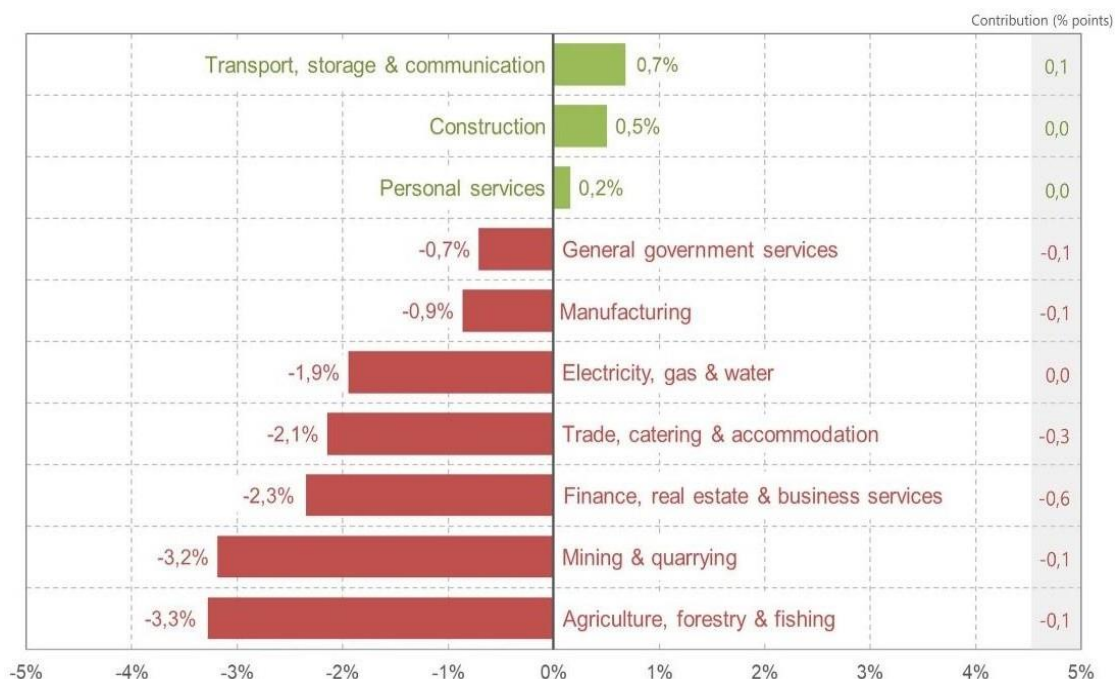
1.4.1 Economic Performance of South African Industries

In the fourth quarter of 2022, the South African economy experienced a decline in gross domestic product (GDP) of 1.3%. This contraction was primarily driven by several sectors, including finance, trade, mining, agriculture, manufacturing, and general government services. Among these industries, the finance, real estate, and business services sector experienced the most significant decline, shrinking by 2.3%. This negative economic performance reflects the challenges faced by various sectors and the overall impact of economic factors on the country's GDP.

In contrast, during the fourth quarter of 2021, the South African GDP showed growth of 1.2%. This growth was attributed to five industries, including trade, which recorded growth of 2.9%. The increase in trade was a result of eased lockdown restrictions, allowing businesses in the sector to resume operations and contribute to economic growth. However, the subsequent decline in retail trade sales by 0.5% year-on-year in February 2023 indicates ongoing challenges within the wholesale and retail trade industries.

These economic indicators highlight the fluctuating performance of the South African economy and the impact it has on the wholesale and retail sector. The sector's performance is influenced by various factors, including government policies, consumer behaviour, and external economic conditions. Understanding these dynamics is essential for effective planning and strategizing within the wholesale and retail industry, enabling stakeholders to identify growth opportunities and mitigate risks. Figure 1 below shows the economic performance of South African industries by GDP for Q4 of the year 2022.

FIGURE 1: PERFORMANCE OF SOUTH AFRICAN INDUSTRIES



SOURCE: STATISTICS SA GROSS DOMESTIC PRODUCT Q4:2022

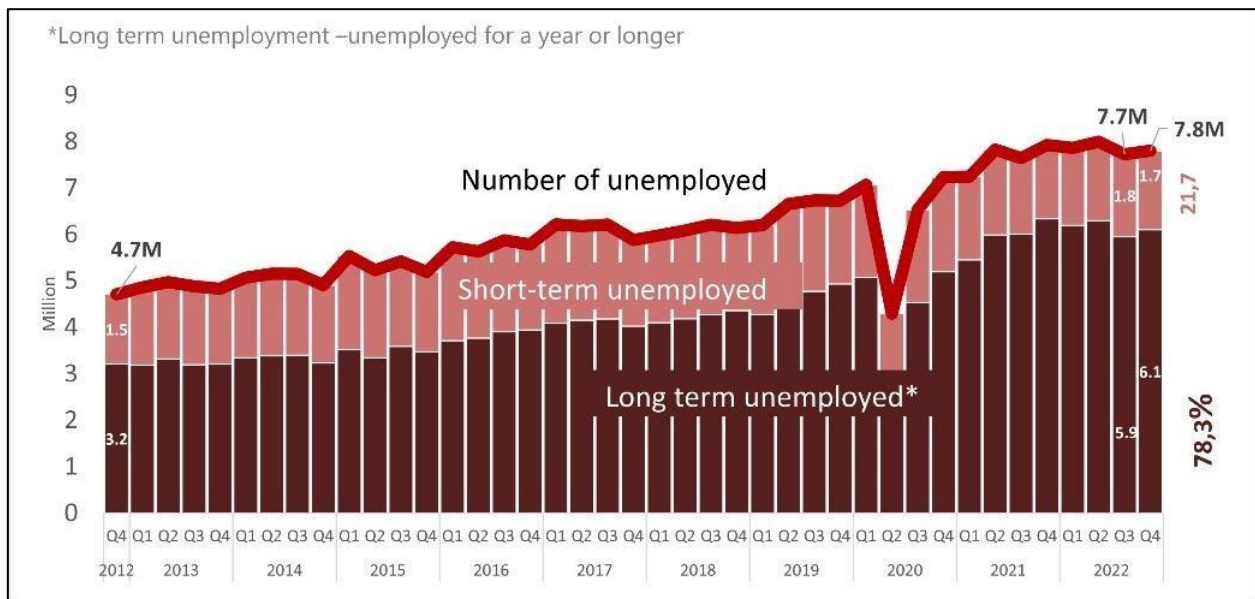
After rallying in the third quarter of 2022, South African gross domestic product (GDP) declined by 1,3% in the fourth quarter (October–December). Growth was dragged lower mainly by finance, trade, mining, agriculture, manufacturing, and general government services. Seven of the ten industries contracted in the fourth quarter. The finance, real estate & business services industry shrank by 2,3%. This was on the back of lower economic activity in financial intermediation, insurance & pension funding, and auxiliary activities. As the finance, real estate & business services industry is the largest in the South African economy, the 2,3% decrease was the biggest factor behind the decline in GDP, subtracting by 0,6 of a percentage.

1.4.2 GDP Growth South Africa's Unemployment

South Africa's unemployment rate declined to 32.7% in the fourth quarter of 2022 compared to the previous quarter. However, the number of unemployed individuals increased by 28 thousand during this period. In Q4:2022, there were 7.8 million people who were actively seeking employment but could not find work, with 6.1 million facing long-term unemployment and 1.7 million experiencing short-term unemployment. The data reveals that long-term unemployment has nearly doubled since Q4:2012, while short-term unemployment increased by 0.2 million individuals in the same period.

Figure 2 below shows the unemployment statistics in South Africa dated December 2012 to January 2023.

FIGURE 2: SOUTH AFRICA'S UNEMPLOYMENT



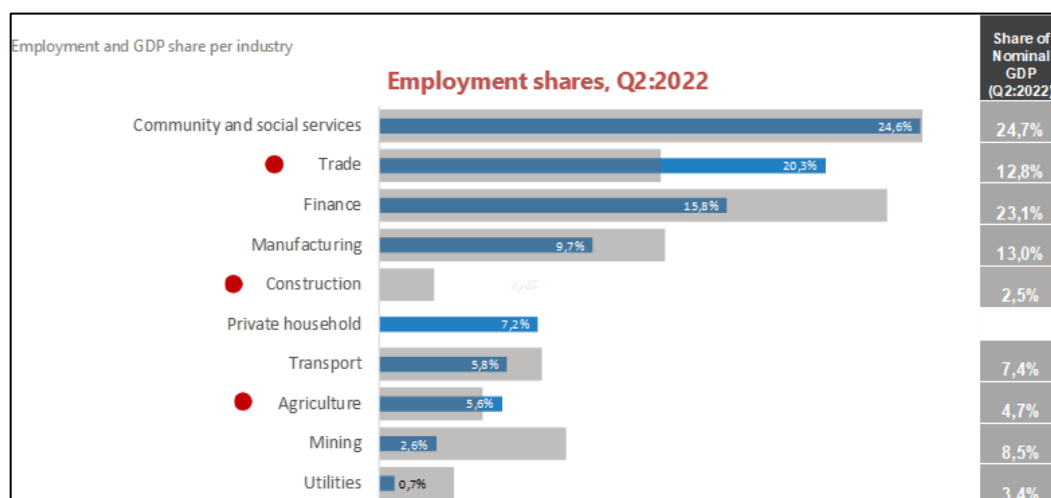
SOURCE: TRADING ECONOMICS SOUTH AFRICAN UNEMPLOYMENT RATE (2022)

1.4.3 Share of Employment per Industry Relative to its GDP Share (%)

In South Africa, the trade, construction, community services, agriculture, and finance industries exhibited higher employment shares relative to their GDP contributions in Q4 of 2021. Despite their significant role in job creation, these sectors may not proportionately contribute to the country's overall economic output. Community services, which include public and social services, also demonstrate higher employment shares compared to their GDP contribution. This could be due to the labour-intensive nature of these services.

Figure 3 below depicts the share of employment per industry in the fourth quarter of 2022, relative to its percentage GDP share.

FIGURE 3: EMPLOYMENT SHARES PER INDUSTRY



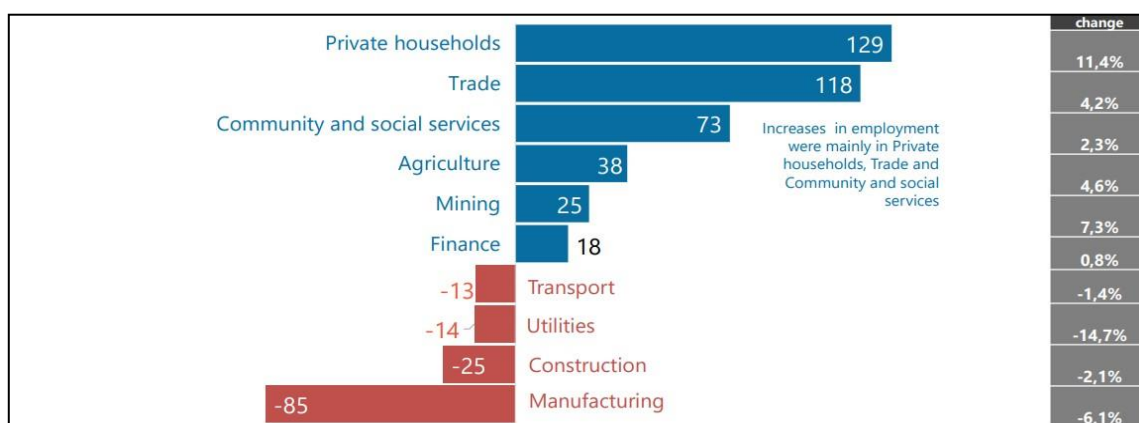
SOURCE: STATISTICS SA QLFS Q4:2022 PRESENTATION (2022)

1.4.4 Employment Losses and Gains

Employment gains were driven by private households (129 000), trade (118 000), and community and social services (73 000). Utilities and manufacturing have the largest recorded negative percentage change at -14,7% and -6,1%, respectively. Employment losses were observed in the informal sector (48 000) in Q4 of 2021, while employment gains were observed in the formal sector (143 000), private households (129 000) and agricultural sectors (38 000).

Figure 4 below shows the employment losses and gains in various sectors.

FIGURE 4: EMPLOYMENT LOSSES AND GAINS, QUARTER-ON-QUARTER CHANGE ('000)



SOURCE: STATISTICS SA QLFS Q4:2022

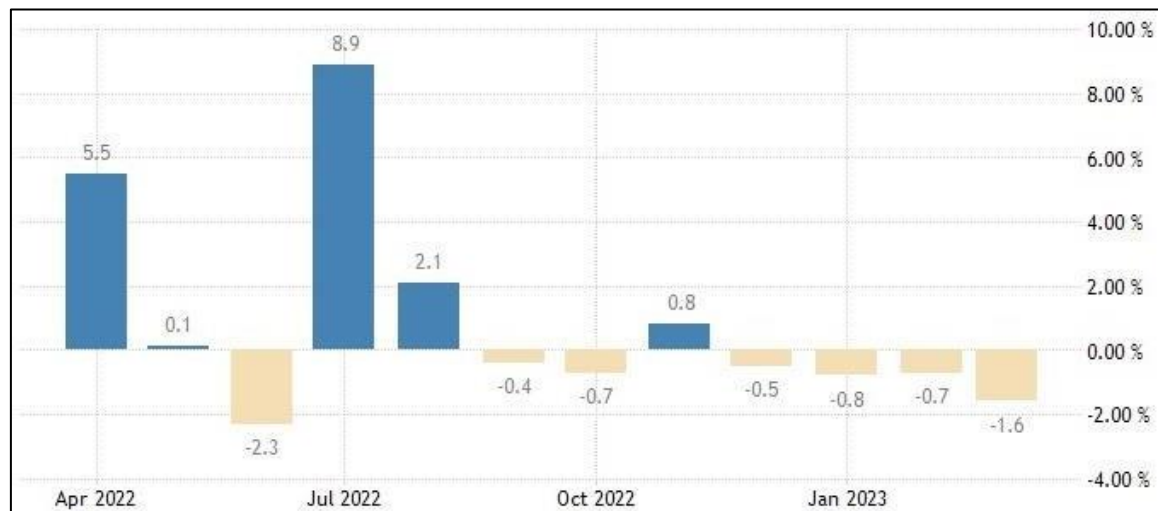
1.4.5 Economic Performance of the W&R Sector

This section assesses the economic performance of the W&R sector between April 2022 to March 2023. South Africa's retail trade fell by 1.6% from a year earlier in March 2023, following an upwardly revised 0.7% drop in the prior month and compared with market estimates of a 0.7% decrease. It was the fourth consecutive month of declines in retail activity and the most pronounced since June 2022, as the ongoing power crisis hit hard the food, beverages, and tobacco retailers (-6.6% vs 0.3% in February). Sales also continued to fall for generaldealers (-1.9% vs -1.5%); pharmaceuticals and medical goods, cosmetics, and toiletries (-3.2% vs -3.1%); hardware, paint, and glass (-3.9% vs -8.2%), among others. The only exception was textiles, clothing, footwear, and leather goods (6.3% vs 5.6%) basis every month, retail sales were down by 0.7% in March, after an upwardly revised fall in the prior month.

Textiles, clothing and pharmaceuticals and medical goods were the key drivers of growth. Retailers specialising in textiles and clothing increased sales by 4.4% in the first quarter, while those specialising in pharmaceuticals and medical goods recorded an increase of 1.2%. Other retailers that registered positive results include general dealers as well as merchants specialising in food and beverages.

1.4.6 Key growth rates in retail trades South Africa

FIGURE 5: Key growth rates in retail trades South Africa



SOURCE: TRADING ECONOMICS, 2023

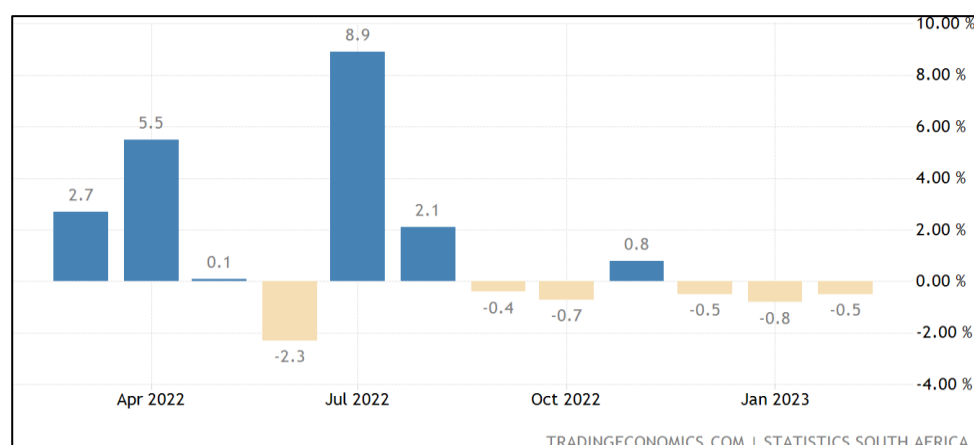
1.4.7 Growth by Industry Type

This section covers the percentage growth by various types of industries.

1.4.7.1 South Africa Retail Sales YoY

South Africa's retail trade experienced a year-on-year decline of 0.5% in February 2023, continuing a downward trend for the third consecutive month. The decrease followed a 0.8% drop in the previous month and was also slightly worse than the overall market decline of 0.3%. This decline in retail activity can be attributed to the adverse effects of electricity load shedding and the rising living costs faced by consumers. These factors have put strain on the retail sector, leading to reduced consumer spending and impacting overall economic activity in the country, as depicted in Figure 6.

FIGURE 6 : South Africa Retail Sales YoY



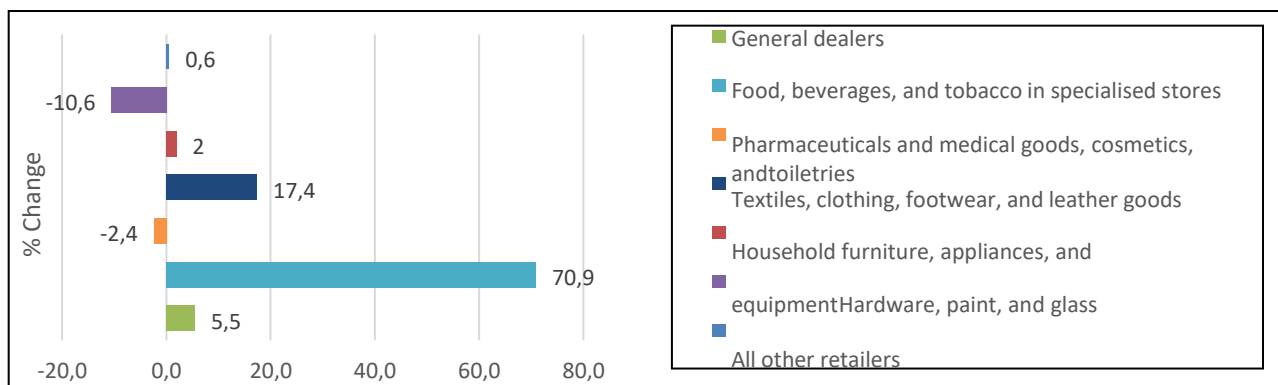
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1.4.7.1 Growth by Type of Retailer

South African retail trade is recorded at an overall 7,7% change, comprised of a positive change of 70,9% in the food, beverages, and tobacco in specialised stores, which equates to a contribution of 3,5% to the total percentage change. All other retailers contributed a combined 4,7 % change. The retailer types with the lowest percentage change are all other retailers, pharmaceuticals and medical goods, cosmetics and toiletries and household furniture, appliances, and equipment. Additionally, the food, beverages and tobacco and metal and metal ores subsectors may grow due to the Economic Reconstruction and Recovery Plan's (ERRP) focus on food security and exports in metals as part of boosting employment and supporting economic recovery.

Figure 7 below shows the year-on-year percentage change in retail trade sales at constant 2015 prices by type of retailer in January 2022.

FIGURE 7: RETAIL TRADE SALES BY TYPE OF RETAILER (%)



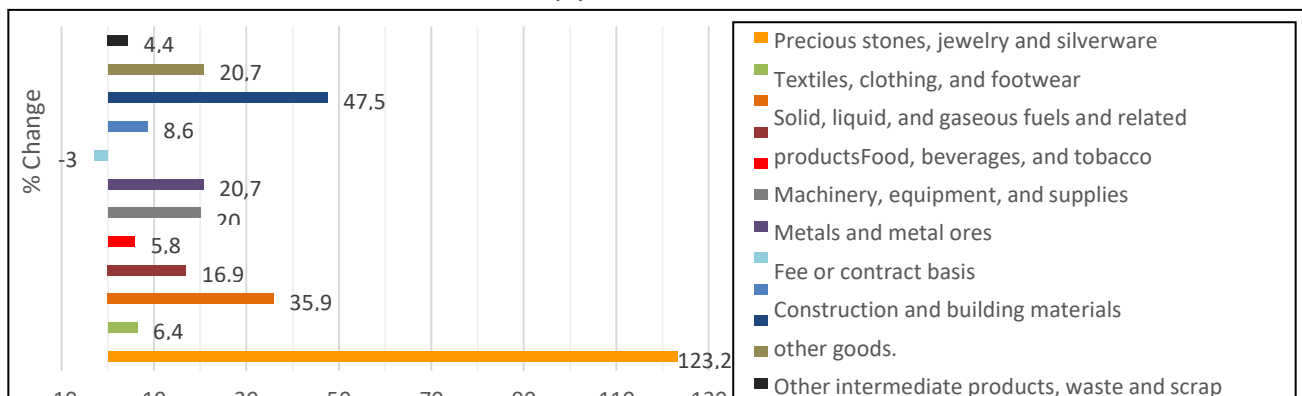
SOURCE: STATISTICS SA RETAIL TRADE SALES (PRELIMINARY) (2022)

1.4.7.2 Growth by Type of Wholesaler

In January 2022, South Africa's annual wholesale trade sales saw a total percentage increase of 7,3% compared to January 2021. The largest negative year-on-year percentages change at current price was recorded in the construction and building material subsector at -14,5%. Wholesale trade sales increased by 22,6% when measured in current prices, with the highest positive change recorded being for solid, liquid, and gaseous fuels and related products, followed by food, beverages and tobacco, and 'other' intermediate products, waste, and scrap sub-sector, which contributed 11,2%, 4,0% and 3,3% points, respectively.

Figure 8 below shows the wholesale trade sales percentage change at current prices for the latest three months by type of dealer.

FIGURE 8: WHOLESALE TRADE SALES BY TYPE OF WHOLESALER (%)

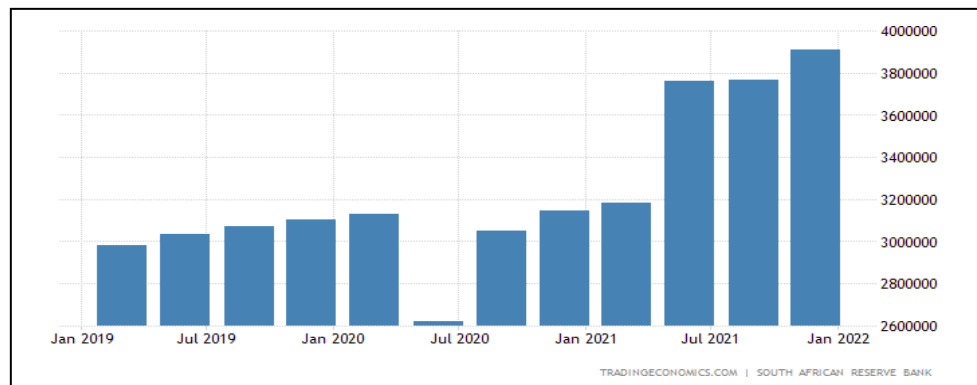


SOURCE: STATISTICS SA WHOLESALE TRADE SALES (PRELIMINARY) (2022)

Disposable Personal Income in South Africa increased to R3 907 902 million in the fourth quarter of 2021 from R3 768 746 million in the third quarter of 2021.

The disposable personal income in South Africa between January 2019 and January 2022 is displayed in the Figure 9, below.

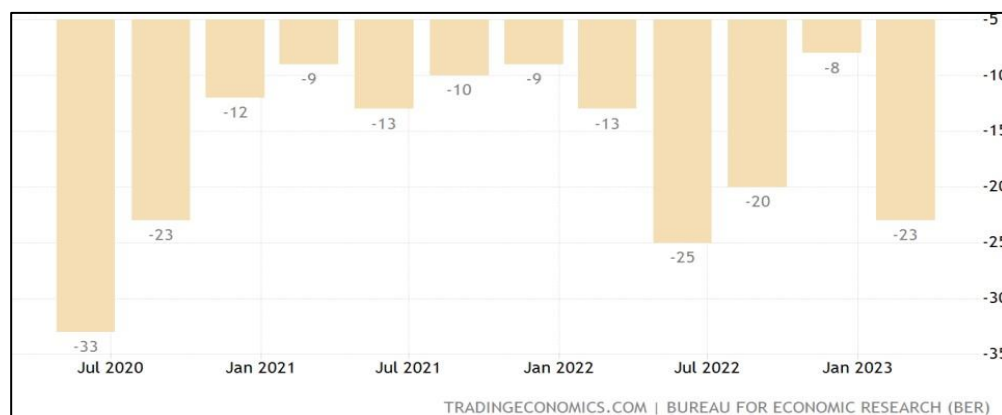
FIGURE 9: DISPOSABLE INCOME 2018-2022



SOURCE: TRADING ECONOMICS DISPOSABLE PERSONAL INCOME (2022)

Consumer Confidence Index for South Africa slipped to -23 points in the first quarter of 2023, from a two-year high of -8 points in the previous three-month period. This is the third-lowest reading on record since 1993, reflecting extreme concerns among consumers about South Africa's economic prospects and their household finances. The survey showed that the majority of consumers believe it was inappropriate to buy durables like vehicles, furniture, and household appliances in anticipation that South Africa's economic growth over the next 12 months will deteriorate. The country has been grappling with the impact of severe electricity shortages, which is crippling businesses and jeopardizing economic growth, as illustrated in Figure 10, below.

FIGURE 10: CONSUMER CONFIDENCE 2018-2023



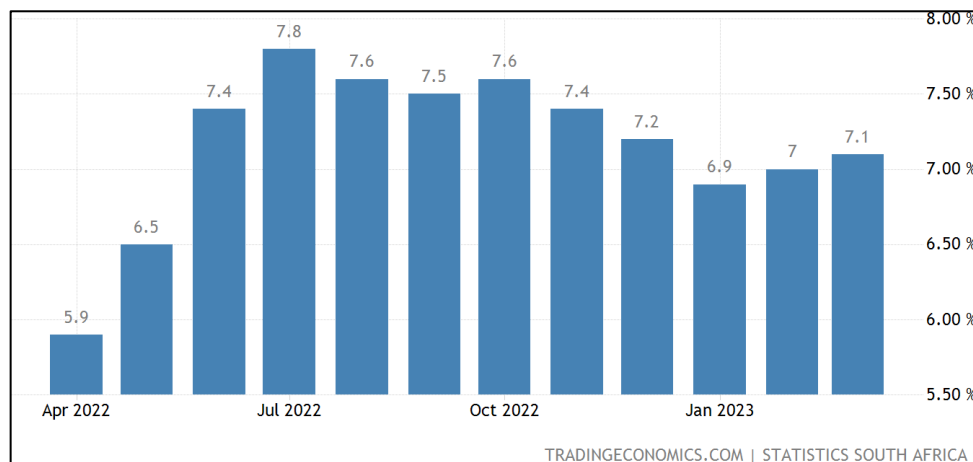
SOURCE: TRADING ECONOMICS CONSUMER CONFIDENCE (2023)

1.4.8 CONSUMER PRICE INFLATION 2018-2023

South Africa's annual inflation rate rose for the second month to 7.1% in March 2023, from 7% in the prior month, against market expectations of 6.9% and still above the upper limit of the SARB's target range of 3%-6%. Food & non-alcoholic beverages (14% vs 13.6% in February); transport (8.9% vs 9.9%); miscellaneous goods & services (5.9% vs 6.1%) and housing & utilities (4%, the same as in February) were the main drivers of overall inflation. The annual core inflation, which excludes prices of food, non-alcoholic beverages, fuel, and energy, stood at a six-year high of 5.2% in March, unchanged from February and slightly above market estimates of 5.1%. Monthly, consumer prices inched up by 1% in March, the most in eight months and above market forecasts of a 0.9% increase. Prices rose significantly for education (5.7% vs flat reading in February) and alcoholic beverages & tobacco (2.2% vs 0.4%), as new excise taxes for alcohol and tobacco products came into effect in March.

Figure 11 below shows South Africa's Consumer Price Inflation between January 2015 and January 2023.

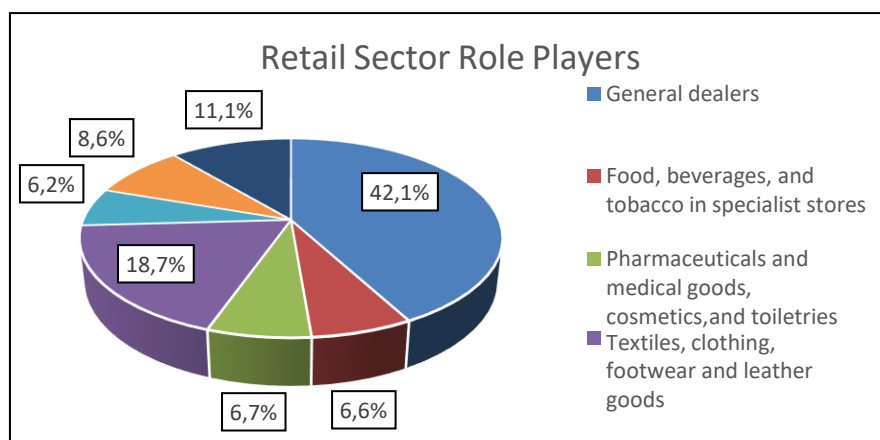
FIGURE 11: CONSUMER PRICE INFLATION



SOURCE: STATISTICS SA CONSUMER PRICE INFLATION (2023)

The pie chart (Figure 12) below shows the biggest role players in South Africa's retail sector. As indicated by the figure, general dealers have the highest weight in the retail sector with 42,1%; followed by textiles, clothing, footwear and leather goods and all other retailers with 18,7% and 11,1%, respectively.

FIGURE 12: BIGGEST ROLE PLAYERS IN THE RETAIL SECTOR

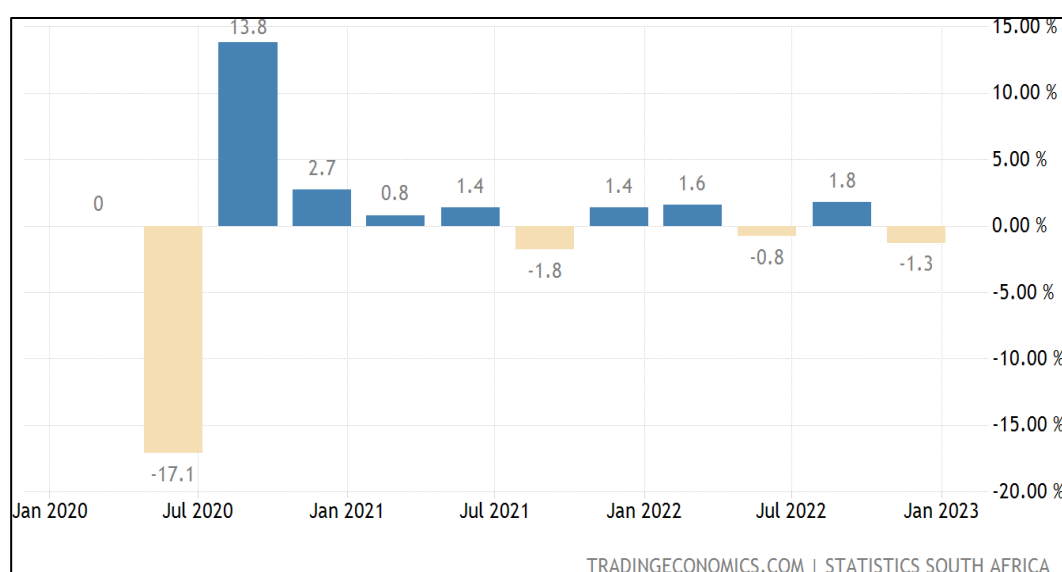


SOURCES: STATISTICS SA STATISTICAL RELEASE: RETAIL TRADE SALES (PRELIMINARY) (2022)

1.4.9 SOUTH AFRICA GDP GROWTH RATE

The South African GDP shrank by 1.3% on quarter in the three months to December of 2022, compared to market expectations of a 0.4% fall and following an upwardly revised 1.8% rise in the prior quarter. It was the sharpest contraction since the third quarter of 2021, mostly due to a sharp rise in power blackouts in recent months. Seven out of ten activities recorded declines, notably finance (-2.3%); trade, catering & accommodation (-2.1%); mining (-3.2%), agriculture (-3.3%), and manufacturing (-0.9%). On the expenditure side, net exports subtracted 1.1 percentage points from total growth, as exports shrank 4.8% and imports declined 0.8%, as depicted in Figure 13, below.

FIGURE 13: BIGGEST ROLE PLAYERS IN THE RETAIL SECTOR



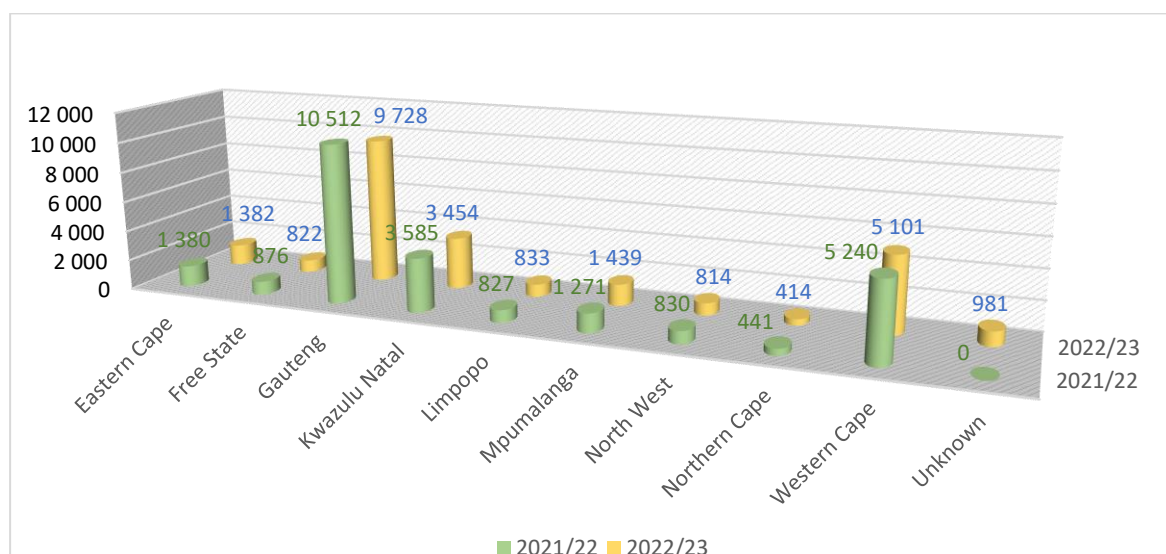
1.5 Employer Profile

The W&R Sector's employer profile is presented in this section for the years 2020/21 and 2021/22. In the W&R Sector, there were overall 24 459 registered levy-paying employers during the 2020/21 period. This number increased to 24 962 registered levy-paying employers for the 2021/22 period.

The largest number of registered levy-paying employers were in Gauteng, which had 10 512 which had 10 512 for the period of 2021/22 compared to 10 137 in 2020/21. Western Cape and Kwa-Zulu Natal were next, with 5 240 (2021/22) and 5 128 (2020/21) in Western Cape followed by Kwa-Zulu Natal 3 585 for the 2021/22 period in relation to 3574 in 2020/21. The significant concentration of businesses in these three (3) regions is because of the high number of levy-paying employers.

The graph (Figure 14) below shows the levy-paying companies per province for the 2021/22 period compared to 2020/21³.

FIGURE 14: Levy-Paying Employers per Province

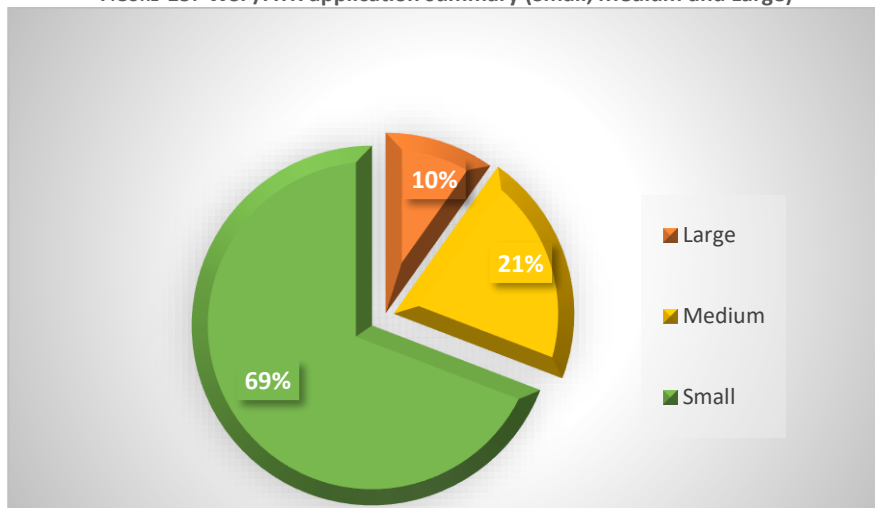


Source: (SARS, 2021/22 and 2022/23)

The analysis of Levy Employers across South Africa's provinces (identified in Figure 15 below) for the fiscal years 2021/22 and 2022/23 reveals notable trends in Gauteng, KwaZulu Natal (KZN), and the Western Cape. Gauteng, traditionally home to the highest number of employers, experienced a significant decline from 10,512 to 9,728 employers. Similarly, KZN and the Western Cape also witnessed decreases in employers, with KZN going down from 3,585 to 3,454 employers and the Western Cape from 5,240 to 5,101 employers. These declines could signify potential economic challenges or changes in the business landscape in these provinces during the analysed period, warranting further investigation to understand the underlying reasons behind the observed trends.

The financial analysis of levy paying companies across key South African provinces for the specified period reveals noteworthy insights. Gauteng, as the country's economic hub, recorded the highest number of levy paying companies (9,728) with a substantial cumulative amount of R612,459,077, highlighting its significant financial activity. The Western Cape followed closely with 5,101 levy paying companies and a combined value of R456,901,733, reinforcing its economic importance. KwaZulu Natal also exhibited considerable financial engagements with 3,454 levy paying companies, totalling R184,070,826. In contrast, Limpopo and the Northern Cape reported lower numbers of L-Numbers (833 and 414, respectively) but still contributed to financial transactions of R24,433,936 and R10,397,528, respectively. These analyses highlight the economic ability of Gauteng, the Western Cape, and KwaZulu Natal, while Limpopo and the Northern Cape demonstrate more modest financial activities during the assessed period.

FIGURE 15: WSP/ATR application summary (Small, Medium and Large)

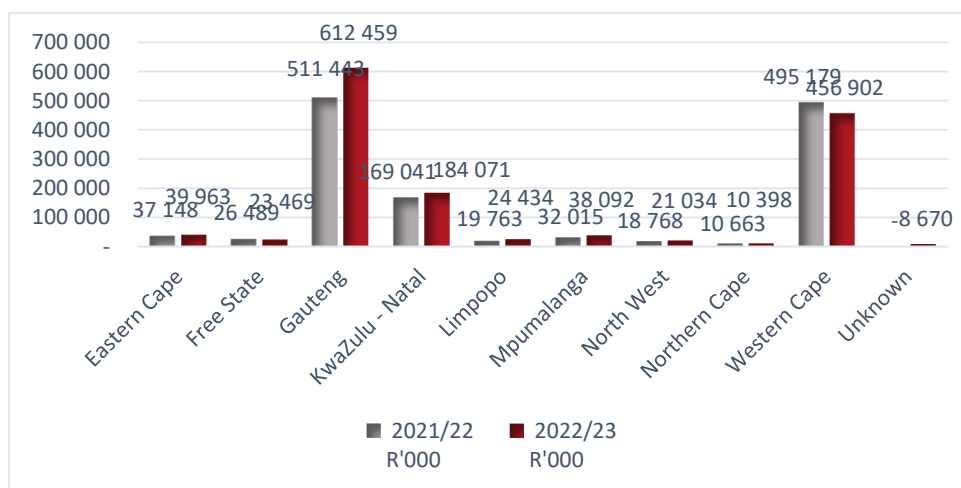


Categories of companies	
Small	1-49
Medium	50-149
Large	149

Source: WSP/ATRA DATA 2022/23, W&RSETA Skills Development Grant policy

The majority of employers are small-sized, making up 69% of the total, while medium-sized employers account for 23%, and large-sized employers comprise the smallest group at 10% of the total.

FIGURE 16: Levies Received per Province



Source: (W&RSETA, 2021/22 & 2022/23)

The analysis of Levy Income in key South African provinces for the fiscal years 2021/22 and 2022/23 highlights diverse economic trends. Gauteng, the primary economic hub, witnessed significant growth in Levy Income from R511,443,000 to R612,459,000, highlighting its robust economic activity. KwaZulu-Natal, Limpopo, and Mpumalanga also demonstrated growth in Levy Income, reflecting their economic development. However, the Western Cape experienced a decline from R495,179,000 to R456,902,000, while the Northern Cape's Levy Income remained stable. These insights provide valuable information on the economic performance and potential challenges faced by each province during the assessed period. The number of employers by company size for the wholesale and retail sector in South Africa, as Table 4, below.

Table 4: Employers by company size

Company Size	Number of Employees
Micro (0-9)	313,000
Small (10-49)	655,000
Medium (50-199)	396,000
Large (200+)	318,000
TOTAL	1 682 000

SOURCE: STATISTICS SA, 2022

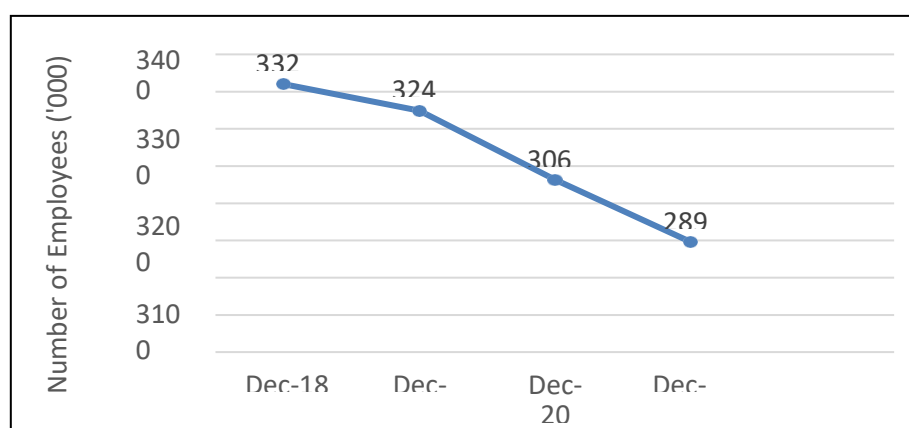
Micro (0-9 employees): There are a total of 313,000 employees working in micro-sized businesses. These small-scale enterprises make up a huge portion of the company's workforce, highlighting the importance and commitment to supporting small businesses and fostering entrepreneurship within the sector. **Small (10-49 employees):** The table includes a substantial number of small-sized businesses, employing 655,000 individuals. These companies have a slightly larger employee base, allowing them to undertake more significant projects and contribute to the company's growth.

Medium (50-199 employees): Within the sector, 396,000 employees are working in medium-sized companies. These businesses have a more established structure and capacity for growth, contributing to the company's overall productivity and economic impact. **Large (200+ employees):** Lastly, the sector encompasses a substantial number of large-sized businesses, employing 318,000 individuals. These organizations possess substantial resources, infrastructure, and workforce, allowing them to undertake major initiatives and play a pivotal role in the company's success.

1.5.1 Labour Market Profile

Figure 16, below reveals that the trade sector - which according to Statistics SA refers to wholesale and retail trade, repair of motor vehicles, motorcycles and personal and household goods, hotels, and restaurants - employed 2.896 million people in the fourth quarter of 2021. In the fourth quarter of 2018, there were 3.320 million employees compared to 2.896 million employees in the industry in the fourth quarter of 2021. This represents a decrease of 424 000 employees (12,8%) in this period. It is important to note that COVID-19 had a major influence on employment in the sector, especially from early 2020 onwards.

FIGURE 17: NUMBER OF EMPLOYEES IN THE TRADE SECTOR 2018 – 2021('000)



SOURCE: STATISTICS SOUTH AFRICA (2022), (2020)

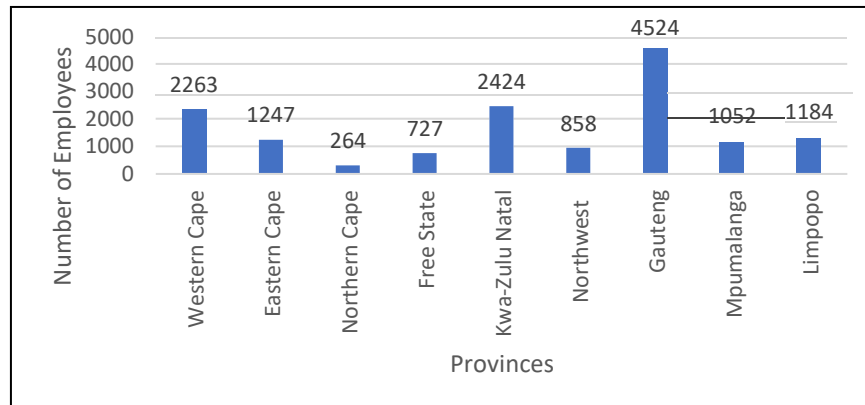
Figure 17 below shows the number of people employed in the 9 provinces. The total number of employed

people is 14,5m in Q4 of 2021, which is 362 000 people less than the total recorded for Q3 of the same year.

This percentage decrease is spread across the 2 provinces that saw decreases, with the largest contributions recorded in Mpumalanga which decreased by 52 000. It was followed by Northern Cape, which decreased by 11 000. The largest increases in employment were recorded in KwaZulu-Natal and Gauteng, which saw increases of 126 000 and 76 000, respectively.

Figure 17 below provides statistics on employment by province.

FIGURE 18: EMPLOYMENT BY PROVINCE ('000)



SOURCE: STATISTICS SA QLFS Q4: 2022

1.5.2 Employee Demographics

Table 5 below indicates that even though democratic transformation in South Africa began over 25 years ago, change is still not prominent in this sector. The figures indicate that 51,6% of people in top management are represented by white males, which constitutes as the largest group to represent any occupational level. In contrast, there are only 24,4% of South African women represented in top management, with only 5,7% being African. The number of African females represented has increased from 2,2% in 2019/20 to 5,7% in 2020/21, while that of white females has decreased by 1,9%.

Coloured males and females have the lowest representation in senior management. African males and females make up the largest representation of semi-skilled and unskilled workers by a large margin, with 44,4% and 34,1% semi-skilled workers and 47,8% and 36,3% unskilled workers, respectively. This is followed by coloured males and females, making up 11,8% of semi-skilled workers and 10,9% of unskilled workers. Through a surface analysis of the below figures, a skewed representation in favour of white males is visible. There is also an overall larger representation of males than females across all occupational levels.

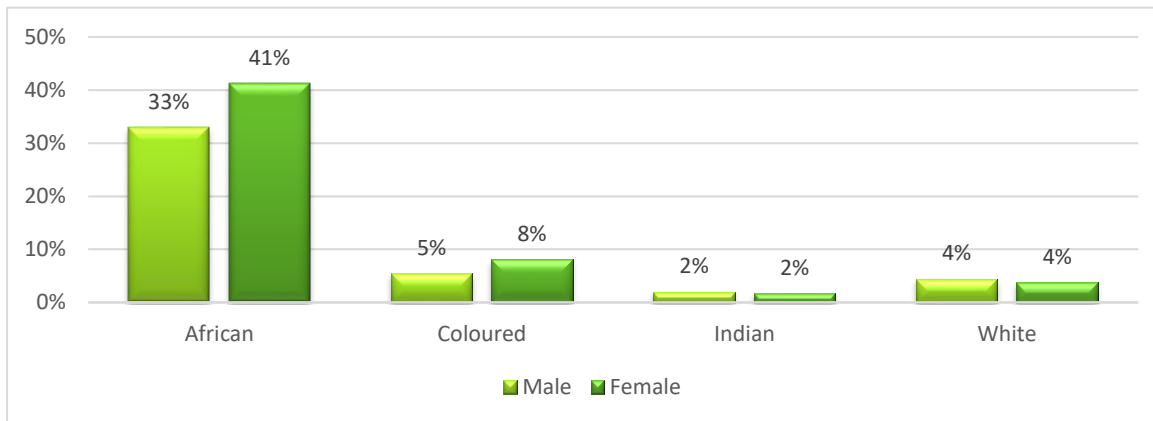
The employment profile (Table 5) below shows that the demographics for formal employment in the W&R sector are a challenge. According to the Commission for Employment Equity, the racial and gender profile of the sector is as follows:

TABLE 5 : EMPLOYEE DEMOGRAPHICS

OCCUPATIONAL LEVEL	MALE (%)				FEMALE (%)				FOREIGN NATIONAL		TOTAL (%)
	A	C	I	W	A	C	I	W	M	F	
Top Management	10,1	3,5	7,3	51,6	5,7	2,2	3,4	13,1	2,6	0,5	100
Senior Management	15,1	4,7	7,4	34,7	9,5	3,3	4,3	17,8	2,3	0,8	100
Professional	22,7	4,9	4,8	18,2	24,0	4,8	4,2	14,0	1,7	0,7	100
Technician	32,3	5,8	2,7	9,0	31,4	5,8	2,7	8,6	1,3	0,4	100
Semi-Skilled Workers	44,4	5,6	1,2	2,1	34,1	6,2	1,3	2,8	1,9	0,3	100
Unskilled Workers	47,8	5,6	0,4	0,6	36,3	5,3	0,2	0,3	2,9	0,8	100

SOURCE: CEE ANNUAL REPORT (2020/21)

FIGURE 19: RACIAL PROFILE BY GENDER



Source: WSP/ ATR Data 2022/23

The data reveals that Black South Africans, specifically African women, and men, constitute the majority of the total employees (75% of female employees and 74% of male employees). This indicates a significant representation of Black individuals within the workforce, highlighting their majority status in the context under consideration. Additionally, the data also shows a notable presence of Coloured, Indian, and White employees.

Table 7 below provides the racial profile of W&RSETA registered employees by Major OFO Groups.

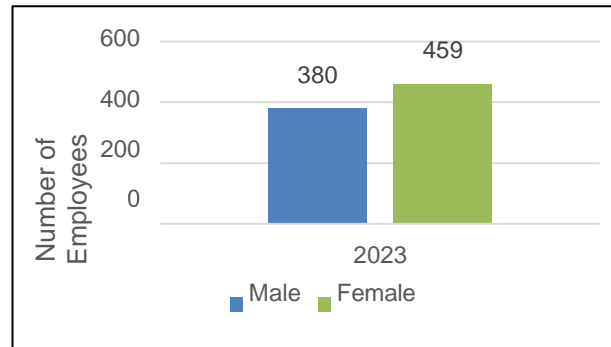
TABLE 7: RACIAL PROFILE OF EMPLOYEES BY MAJOR OFO GROUP

OCCUPATIONAL LEVEL	MALE (%)				FEMALE (%)				FOREIGN NATIONAL		TOTAL (%)
	A	C	I	W	A	C	I	W	M	F	
Managers	22,53%	5,95%	5,68%	19,33%	23,88%	7,18%	3,39%	10,38%	1,15%	0,52%	100
Professionals	16,83%	8,01%	5,82%	18,33%	17,42%	8,44%	4,85%	17,61%	1,75%	0,95%	100
Technicians and Associate Professionals	29,17%	5,89%	3,00%	8,03%	31,39%	8,72%	3,00%	9,40%	0,89%	0,50%	100
Clerical Support Workers	28,21%	4,53%	1,84%	2,02%	42,75%	11,53%	2,79%	5,44%	0,58%	0,30%	100
Service and Sales Workers	28,89%	4,20%	1,07%	1,61%	51,78%	8,21%	1,27%	1,43%	0,79%	0,76%	100
Skilled Agricultural, Forestry, Fishery, Craft and Related Trades Workers	48,90%	8,21%	1,18%	6,17%	23,93%	6,30%	0,61%	0,66%	3,41%	0,64%	100
Plant and Machine Operators and Assemblers	69,27%	11,77%	2,09%	2,83%	7,13%	3,18%	0,32%	0,60%	2,56%	0,25%	100
Elementary Occupations	44,39%	6,63%	1,02%	1,21%	37,42%	5,94%	0,58%	0,41%	1,79%	0,61%	100

SOURCE: WSP DATA 2023

Based on the above Table 7 in the Technicians and Associate Professionals category, males constitute 31.39%, whereas females make up just 0.89%. This pattern continues in the Professionals level, with males at 17.42% and females at 0.95%. These statistics highlight a significant underrepresentation of females in higher-level positions, particularly in management and technical roles. Addressing this gender imbalance is crucial for promoting workplace gender equality and creating opportunities for female professionals to excel in leadership and technical positions.

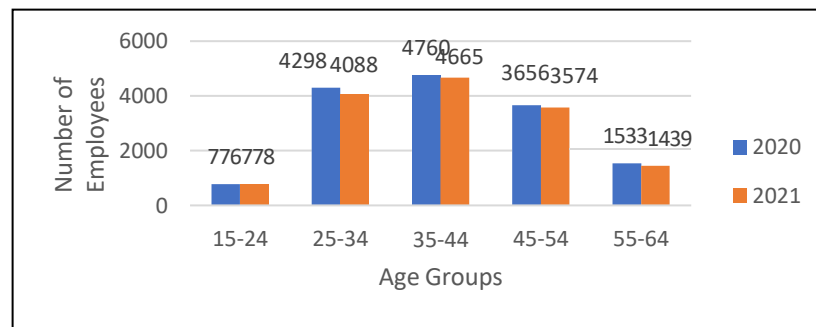
FIGURE 20: EMPLOYEES BY GENDER ('000)



SOURCE: WSP DATA, 2023

Figure 20 below illustrates the number of employed people per age group in thousands. The figure shows that people between the ages of 15 and 24 have the lowest number of employed people in 2020 when compared to 2021 and overall, across the age groups. The age groups 25 to 34, 35 to 44 and 45 to 54 have all seen a decrease in the number of employed people. Overall, the number of employed people decreased across the age groups in 2021, except for the age group 15 to 24.

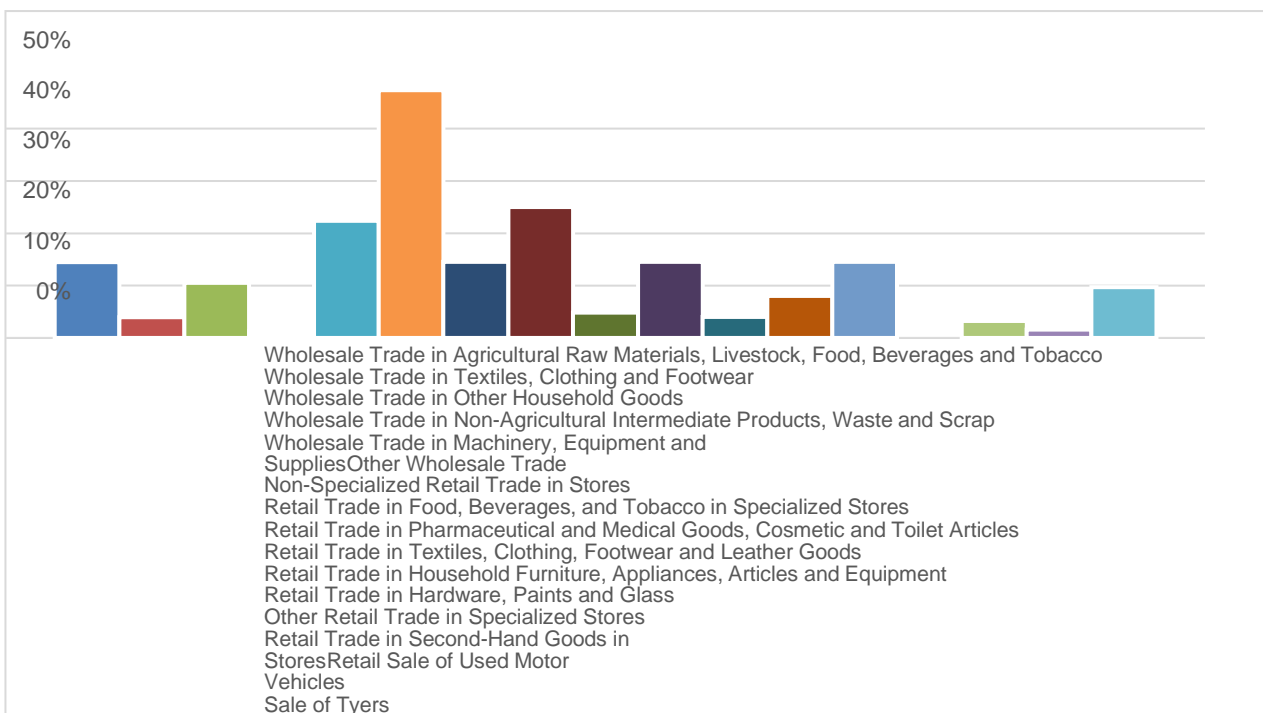
FIGURE 21: NUMBER OF EMPLOYED PEOPLE PER AGE GROUP ('000)



SOURCE: (Statistics South Africa, 2022)

The figure 21, below shows the percentage of employers by subsector.

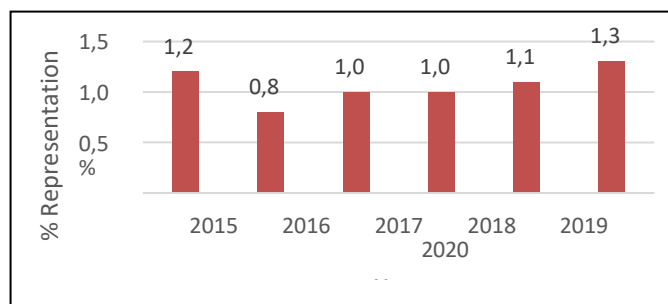
FIGURE 22: PERCENTAGE OF EMPLOYERS BY SUBSECTOR



SOURCE: EMPLOYER SURVEY, 2022

Figure 22 below shows the percentage of the workforce made up of people with disabilities over the three years from 2015 to 2020. The figure shows an average of 1,0% from 2015 until 2019. Before 2020, representation of people with disabilities in the workforce had decreased since 2015, especially in 2020 when it decreased by 0,4%. The percentage representation has since increased to 1.3% in 2020.

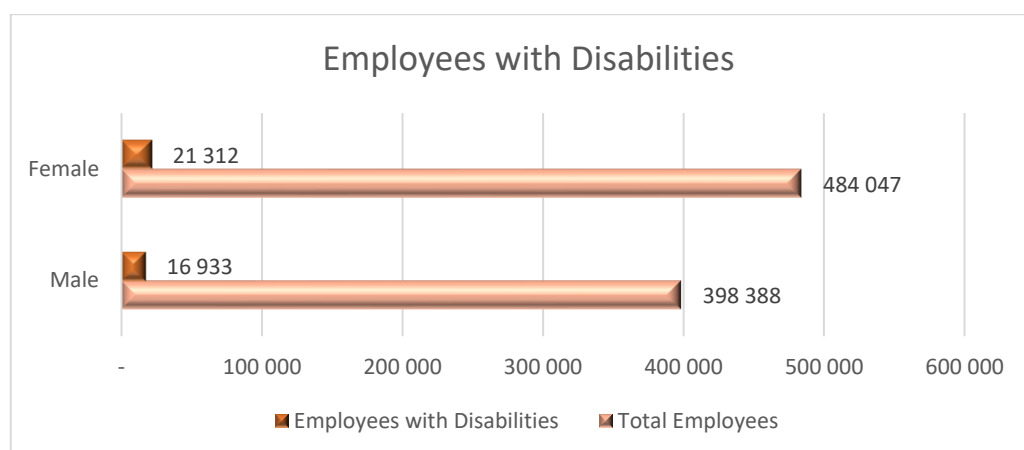
FIGURE 23: PERCENTAGE REPRESENTATION OF WORKFORCE WITH DISABILITIES 2015 TO 2020



SOURCE: (CEE, 2020/21)

Figure 23 provides the percentage of employees with disabilities, as per the WSP(2023) data. The figure shows that 5% of employees had a disability

FIGURE 24: PERCENTAGE OF EMPLOYEES WITH DISABILITIES IN 2023



SOURCE: WSP/ATR DATA, 2023

The data presents the gender distribution of employees and employees with disabilities, along with the total percentage of employees with disabilities. Out of a total of 882,435 employees, 398,388 are male, and 484,047 are female. Both male and female employees with disabilities amount to 16 933 and 21 312, respectively, making up 4% of the total workforce each. The data suggests that there is a similar representation of employees with disabilities in both male and female populations, totalling 4% of the entire workforce. This information underscores the importance of maintaining a supportive and inclusive work environment that accommodates and empowers employees with disabilities, regardless of their gender.

1.5.3 Representation of People with Disabilities (PWD) within the Sector:

People with Disabilities are the least represented across the South African workforce, despite the commitment by companies to comply with the Employment Equity Act 55 of 1998 (EEA). The EEA serves 2 key purposes, one of which is 'implementing affirmative action measures to redress the disadvantages in employment experienced by designated greater to ensure their equitable representation in all occupation categories and levels in the workforce' (Department of Labour, 2004).

The figures in the 21st Commission for Employment Equity Annual Report for 2020/21 show that the representation of People with Disabilities is extremely low, with an average representation percentage of 1,47% across the workforce since 2018 (CEE, 2020/21). This illustrates that the action taken towards

transformation and equity in the workplace is taking place at a much slower pace than it should. The figures for the W&R sector were not much different either, as the sector only had slightly less than 1,2% of employees that represent People with Disabilities (W&RSETA APP, 2021/22 - 2023/24). This is slightly concerning considering that People with Disabilities are one of the annual SSP priority areas. However, the SETA's strategy highlights the challenges faced by People with Disabilities and is geared towards highlighting this to the W&R sector, to assist in accelerating developmental programmes to alleviate the statistics alluded to.

A challenge with the transformation interventions set for People with Disabilities, and other individuals in marginalised groups, is that although the interventions are targeted the impact imparted does not always translate as well in employment as it does in academics and training. There is still a highly visible margin in the representation of Persons with Disabilities and able-bodied people.

1.6 Conclusion

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

- Based on the economic indicators, the South African economy experienced positive growth of 0.3% in the fourth quarter of 2022, although seven out of ten industries contracted during this period. The finance, real estate, and business services industries witnessed a significant decline of 2.3%, primarily driven by lower economic activity in financial intermediation, insurance, and pension funding activities. As the largest industry in the country, this decrease had the most substantial impact on the overall GDP decline.
- Within the wholesale and retail sector, there is a pressing need to enhance the skills base, particularly at the lower and middle management levels. The sector also faces challenges in terms of employee demographics, with a high percentage (64.7%) of white employees occupying top management positions. This misalignment emphasises the importance of promoting greater diversity and inclusivity in leadership roles.
- Job growth in the wholesale and retail sector has been subdued between 2014 and 2022, due to sluggish overall economic growth, the adverse effects of COVID-19, and inadequate electricity supply. These factors have contributed to the persistently elevated levels of unemployment, especially among the youth. Addressing the unemployment crisis requires a concerted effort to provide training and employment opportunities for marginalised groups, including women and unemployed youth.
- To stimulate growth and address these challenges, it is crucial to provide training opportunities for women and unemployed youth, especially in future-oriented occupations such as data scientists, which align with the Fourth Industrial Revolution. By investing in skills development and promoting inclusivity, the wholesale and retail sector can contribute to reducing unemployment and fostering economic resilience.

2 CHAPTER TWO: KEY SKILLS CHANGE DRIVERS

2.1 Introduction

Factors influencing skills demand and supply in the sector have been identified through thorough research and stakeholder engagement. New change drivers, that impact skills demand and supply have been identified, as well as and including technological advancements, market trends, demographic shifts, and regulatory changes. These change drivers have had implications for skills planning in the sector, as they have required more targeted strategies and interventions to align with evolving sectoral demands. Additionally, policy frameworks, such as the National Skills Development Plan (NSDP) and sector-specific policies, significantly influence skills demand and supply. Understanding the implications of policy frameworks is essential for effective skills planning in the sector. 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 and for South Africa, and the Industrial Policy Action Plan*³.

Input and research into this section includes a literature review (e.g., reports written on sector trends) including, but not limited to:

- W&RSETA Strategic Plan, 2020/21 – 2024/25
- PWC's Global Economic Crime and Fraud Survey South Africa
- NEDLAC's Futures of Work in South Africa
- data. Ai's State of Mobile Report
- The National Skills Development Plan (NSDP)
- The National Skills Accord
- The Industrial Policy Action Plan II
- The New Growth Path
- The National Development Plan 2030 (NDP)
- White Paper for Post-School Education and Training (WPPSET)
- The Economic Reconstruction and Recovery Plan
- Presidential Youth Employment Initiative

2.2 Factors Affecting Skills Demand and Supply

This section describes the key factors identified as change drivers influencing skills supply and demand either positively or negatively. The section also presents the implications of these factors for the skills development of the sector.

2.2.1 Inadequate electricity supply (Loadshedding)

- **Reduced productivity:** Inadequate electricity supply can cause interruptions in operations, leading to reduced productivity and output levels for businesses in the sector.
- **Increased costs:** Businesses may have to incur additional costs to run on generators or other alternative sources of power, which can impact their profitability.
- **Skills gaps:** With businesses having to adopt alternative power sources, there may be a need for employees to learn how to operate and maintain these systems, creating a skills gap within the sector.

Proposed interventions:

1. **Training programmes:** The W&RSETA can develop training programs that equip employees with the skills and knowledge to operate and maintain alternative power sources. This can help bridge any skills gaps and improve the overall efficiency of operations.

2. **Promotion of renewable energy:** The W&RSETA can promote the adoption of renewable energy sources within the sector. This can involve providing information and resources to businesses on how to transition to renewable energy, as well as offering incentives for businesses that make the switch. By promoting renewable energy, the sector can reduce its reliance on the national power grid, which is often the cause of inadequate electricity supply.

2.2.1.1 Data Privacy and Protection of Personal Information Act

All businesses in South Africa are now required to adhere to the requirements of the Protection of Personal Information Act. These requirements can be onerous for businesses, especially for SMMEs (for example, the requirement of all businesses to appoint an Information Officer who can be held liable for data breaches in multiple ways). POPI will require a fundamental shift in how businesses process data and how they market themselves. Furthermore, cybersecurity and IT literacy skills will become essential as most data is stored on servers or in the cloud.

2.2.2 Technological Advancements and Access to Information

Technological advancements are driving significant changes in the wholesale and retail industries, providing opportunities for increased efficiency, revised business models, and improved customer experiences. However, these advancements have also empowered consumers with easy access to information, leading to more insightful buying behavior and changing market dynamics. Wholesalers and retailers must adapt to cater to the evolving consumer expectations, leverage real-time feedback, and focus on transparency, competitive pricing, and personalized marketing strategies to thrive in the competitive market landscape. Embracing technology effectively can position businesses for sustainable growth and success in the rapidly evolving wholesale and retail 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 (data.ai, 2020).
- **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 behaviour 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 three times as many cyber-attacks as those in the finance sector. With 77% of organisations being affected (PWC, 2018).

Other uncategorised implications include the following:

- The future of work is changing as technology is rapidly advancing towards the latest trends such as automation and artificial intelligence, which will change the traditional roles leading to some jobs becoming absolute (NEDLAC, 2019).
- 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 ethics).
- Should the business make an unpopular decision (as was the recent case when a major retailer was accused of appropriating someone's product must have ratite that they have the required public relations skills to mitigate the negative impact this incident may pose.

- There are still areas that struggle with access to the networks, the internet, and technological resources. This will create a gap within the sector's development and transformation.

The Skills Gap Needs that were identified include 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 are critical to ensure their readiness to embrace the new technological changes.

The occupational needs include 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.

2.2.3 SMME Development

The W&R sector in South Africa is made up of many SMMEs in need of support and development.

The implications for Skills Planning in the sector are listed as follows:

- **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.
- **Casualisation:** The entire retail sector is characterized by high casualization – the “permanent temporary worker.” Most workers employed by unorganized businesses do not receive healthcare, education, 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. The SETA can also ensure partnerships between SMMEs and Training Providers.
- **Township Based Businesses and Smaller Retailers:** National supermarkets are saturating townships and peri-urban areas causing a strain on small retailers. There is therefore a need for smaller businesses to partner with larger retailers and form part of these supply chains. This will raise the need for skills relating to business management, compliance training and quality assurance. There are many requirements that larger retailers have for their suppliers and business owners will need training in this space. 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 (Charman, et al., 2019).

The occupational needs in the sector include tellers, packagers, cleaners, securities, sales managers, buyers, merchandisers, sales assistants, bakers, butchers, etc. The skills gap needs include financial management, product knowledge, marketing and sales, communication, merchandising negotiation, technical, conflict management, buying, pricing, time management, customer relations, ICT, life skills and coaching.

The occupational needs include Coach/ Mentor, SMME specialist, and Finance/ Business Management.

2.2.4 Changing Expectations of W&R Stakeholders

The expectations of customers, employees, suppliers, and investors are constantly evolving and changing over time. For example, employers are encouraged to be more aware and responsive to differences in employee cultures and religions.

Customers expect a much faster reaction time from their favoured stores. Competition is also being faced from a global perspective. Furthermore, consumers are more inclined to support businesses that operate ethically with a sustainable ecological footprint. With the rise in access to information consumers can easily seek out retailers who demonstrate these characteristics. There is also an increased demand for Customer Service and Emotional Intelligence to help with dealing with the pressures and trauma faced by employees

and customers due to COVID-19. These elements require employees to be skilled and knowledgeable in HR practices, environmentally friendly practices, be aware of the local and global economic and political context.

2.3 Policy frameworks affecting skills demand and supply

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

Table 8 summarises the national policies that guide the operations of the W&RSETA. It demonstrates the alignment of the W&RSETA's Strategic Plan with the government's national policies and strategies.

TABLE 8: POLICY FRAMEWORKS AFFECTING SKILLS DEMAND AND SUPPLY

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. • 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. 	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.
Industrial Policy Action Plan II (IPAP II) IPAP has identified several growth sectors that address high unemployment.	<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.
New Growth Path (NGP) The New Growth Path identifies 5 job drivers: <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.
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: <ul style="list-style-type: none"> • Creating jobs and livelihoods. • Expanding infrastructure. • Transitioning to a 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. 	The implications are: <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.
White Paper for Post-School Education and Training (WPPSET) <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 the 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.

<p>Presidential Youth Employment Initiative</p> <ul style="list-style-type: none"> • To address the pressing issue of youth unemployment by providing employment opportunities and skills development programs for young people. • Upskilling and reskilling initiatives to enhance the employability of young people in priority sectors. 	<ul style="list-style-type: none"> • Collaboration and Partnerships: Actively seek and establish partnerships with industry stakeholders, employers, and private sector organizations to effectively implement the skills development initiatives aligned with the Presidential Youth Employment Initiative. • Upskilling and reskilling initiatives that enhance employability in sectors identified as priorities, ensuring that young people receive training in high-demand areas to increase employability.
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2.4 Measures the W&RSETA has put in place in support of National Strategies and Plans including the Economic Reconstruction and Recovery Plan and its Skills Strategy

The W&RSETA has implemented/ is implementing the following projects in support of the ERRP:

- Youth Unemployment Project (In collaboration with Research Leadership Chair UJ and Industry);
- Capacitation Workshops and Trading Vouchers: ITAMED (Informal Traders and Micro Enterprises Development);
- Entrepreneurship Development Programme (New Venture Creation, Rural Areas Learnership Project, Informal Small Business Practice Learnership);
- SME Grant (Small and Micro Enterprise Grant);
- Unemployed Graduates (Degree and Diploma) are placed to gain workplace experience;
- Unemployed Interns are placed to gain workplace experience to obtain their diplomas;
- Include employees that fall within marginalised and minority groups in the ILDP and RMDP programmes;
- Infrastructure and equipment support with CETs, TVETs and Skills Development Centres; (Sekhukhune Skills Development Center, KwaMpumuza Skills Development Centre and
- Embed economic planning within the skills planning function.

Additionally, the Economic Reconstruction and Recovery Plan (ERRP) includes issues of transformation and skills development. The W&RSETA has the International Leadership Development Programme (ILDP) and the Retail Management Development Programme (RMDP) for upskilling employees within the W&R sector. To ensure that the ERRP is deliberately responded to, the SETA can ensure the support of employees that form part of marginalised groups (such as women, people living with disabilities, and people of colour) in joining and completing the programmes.

2.5 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 of 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 need to be trained to effectively enter the W&R sector.

3 CHAPTER THREE: OCCUPATIONAL SHORTAGES AND SKILLS GAPS

3.1 Introduction

This chapter focuses on understanding the sectoral demand for skilled workers is crucial for effective workforce planning in the Wholesale and Retail Sector. By identifying and analysing this demand, including its nature, extent, and underlying reasons, valuable insights can be gained to address workforce challenges and bridge skills gaps. Factors such as market trends, technological advancements, changing consumer preferences, and regulatory changes contribute to the nature and extent of sectoral demand. By examining the scale of demand and comparing it to the current supply, areas of potential skills shortages and imbalances can be identified. Uncovering the underlying reasons driving sectoral demand, such as economic growth or industry-specific developments, helps inform strategic workforce planning initiatives. The issue of skills gaps is also addressed. The following are the data sources used in responding to Chapter 3:

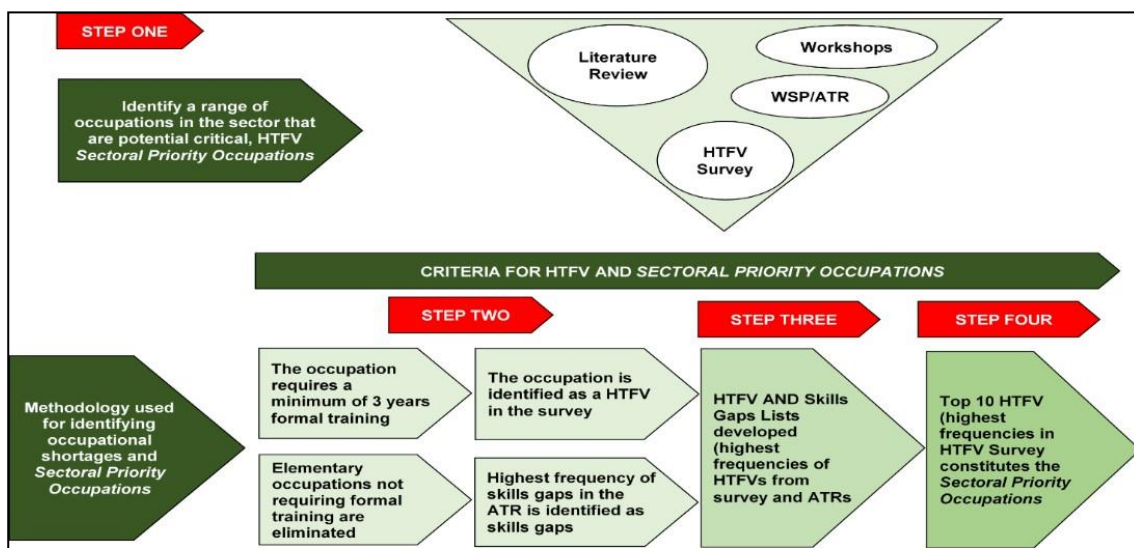
- WSP/ ATR data (2023)
- Hard-To-Fill Vacancy (HTFV) and skills gaps survey (2023) SSP Employer interviews SME SSP Survey

This chapter is set out as follows:

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

The methodology and criteria to compile critical, HTFV and Sectoral Priority Occupations are as follows:

FIGURE 25: METHODOLOGY AND CRITERIA



SOURCE: DHET SSP FRAMEWORK AND REQUIREMENTS 2018

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

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

Step Three: After elimination, the highest frequency occupations (above the median) are included on the HTFV list. The highest frequency 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.

Sectoral Occupational Demand (Hard-To-Fill Vacancies)

Table 9 provides the Hard-to fill occupations along with the reasons that have been provided by the stakeholders. WSP/ATR Data for 2022/23 was validated in surveys.

TABLE 9: HARD-TO-FILL VACANCIES (HTFV)

Occupation	OFO Code	Entities Reporting	Vacancies	Reasons ⁴
Retail General Manager	142103	131	470	Lack of relevant experience
Retail Buyer	332301	45	214	Lack of relevant experience
Retail Supervisor	522201	46	106	Lack of relevant experience
Safety, Health, Environment and Quality (SHE&Q) Practitioner	226302	6	26	Lack of relevant qualifications
Blockman/Butcher	681103	48	183	Lack of relevant qualifications
Key Account Manager	122101	27	118	Lack of relevant experience
ICT Security Specialist	252901	1	0 ⁵	Lack of relevant experience
Small Business Manager	134903	4	69	Unsuitable job location
Visual Merchandiser	343203	15	65	Lack of relevant experience
Corporate General Manager	121901	29	58	Equity Consideration
Confectionary Baker	681201	25	77	Lack of relevant experience
Shop Assistant	522301	23	259	Lack of relevant experience
Sales Director	122102	36	171	Lack of relevant experience
Corporate Services Manager	121902	8	74	Unsuitable job location
ICT Communications Assistant	351201	2	4	Lack of relevant experience
Inbound Contact Centre Consultant	422201	4	163	Lack of relevant experience
Industrial Products Sales Representative	243301	10	17	Lack of relevant experience
Commis Chef	343401	7	138	Lack of relevant qualifications
Software Developer	251201	14	37	Lack of relevant experience
Data Scientist	251102	10	44	Lack of relevant qualifications
Marketing Practitioner	243103	17	28	Lack of relevant experience
Industrial Engineer	214101	-	35	Lack of relevant qualifications
Sales Executive	122102	-	33	Lack of relevant qualifications
Business Analyst	242101	-	43	Lack of relevant experience
Industrial Products Sales Representative	243301	-	120	Lack of relevant experience
Visual Merchandiser	343203	-	167	Lack of relevant qualifications

SOURCE: WSP/ATR DATA 2023; SSP SURVEY; EMPLOYER INTERVIEWS; SSP PROVINCIAL ENGAGEMENTS

Butchers and Confectionary Bakers are specialist occupations and there is said to be a lack of appropriate specialist qualifications and experience and on-the-job training is required. High staff turnover is also noted. Furthermore, feedback from stakeholder consultations indicated that some occupations do not have OFO Codes and a shortage in such an occupation would be coded using the closest occupation to that one. For example, unemployed learners on an NQF Level 2 Learnership do not have an OFO Code and are, therefore, captured as Sales Assistants because it is the closest to what they do. However, the distinction becomes particularly important within the sales environment.

There are also appliance technicians needed, particularly because there does not seem to be accessible training for this occupation. The abovementioned challenges are national, as they have been raised by more than one province during the engagements. Occupations mentioned in the latest provincial engagements as

⁴ Reasons are given for each HTFV to give an explanation as to why the vacancy is difficult to fill. These reasons could be that employers are unable to find candidates that have the relevant qualifications required for the occupation (lack of relevant qualifications); inability to find candidates that have the relevant experience required for the occupation (lack of relevant experience); inability to find candidates that fit the equity considerations such as gender, race, disability (equity consideration); inability to find candidates that are willing to work the required hours or do not live in/are unwilling to relocate to the job location (unsuitable working hours/ unsuitable job location); and sometimes candidates lack needed (technical) skills (lack of technical/creative) skills required.

⁵ ICT Security Specialist is an emerging occupation in the sector; hence it may not appear in the WSP submissions where quantities required are given. However, in consultations (surveys, interviews, provincial engagements) the occupation came up strongly. It also supports strategic intents and the change driver "Technological Advancements and Access to Information" (see chapter 2.2.2), hence it has been included.

well include Retail General Manager, Software Developer, Butcher, Confectionary Baker, Retail Store Manager, Confectionary Maker, (Specialist) Sales Representative and ICT Security Specialist

Table 10, below are new and emerging occupation:

TABLE 10: NEW AND EMERGING OCCUPATION

Occupation	OFO Code
Online Designers	2021-441101
Logistics Manager	2021-132402
Environmental Manager	2021-134901
Web designer	2021-216604
Digital Marketing Specialist	2021-133102
Retail pharmacist	2021-226203
Electrician	2021-671101
Ecommerce Project Manager	2021-252201
Data Analysts	2021-252101
ICT System developer	2021-251101

SOURCE: WSP/ATR DATA 2023; SSP SURVEY; EMPLOYER INTERVIEWS; SSP PROVINCIAL ENGAGEMENTS

It has been suggested that the following occupations are high turnover, high demand occupations (Table 11).

TABLE 11: HIGH DEMAND, HIGH TURNOVER OCCUPATIONS

Occupation	OFO Code	Vacancies	Reasons
Sales Assistant (General)	2021-522301	259	Lack of relevant experience
Petrol Station Attendant	2021-524501-5	48	Lack of relevant experience
Cashier	2021-523102-3	25	Lack of relevant experience
Food Service Counter Attendant	2021-524601	5	Lack of relevant experience
Service Station Cashier	2021-523102-5	25	Lack of relevant experience
Service Station Attendant	2021-524501	48	Lack of relevant experience
Shelf Filler	2021-833401	200	Lack of relevant experience
Store Person	2021-833402	80	Lack of relevant experience

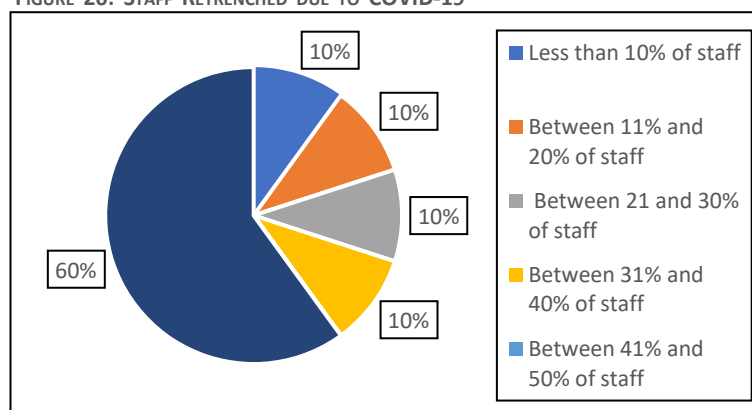
SOURCE: WSP/ATR DATA 2023; SSP SURVEY; EMPLOYER INTERVIEWS; SSP PROVINCIAL ENGAGEMENTS

3.2 SSP Employer interviews

This section looks at the impact of COVID-19 to date on employers, based on interview findings. Although the sample size was small (as is typical of interviews), this provides indication for some employers.

Figure 25 below illustrates 60% of interviewed employers indicated that none of their staff was retrenched due to COVID-19.

FIGURE 26: STAFF RETRENCHED DUE TO COVID-19

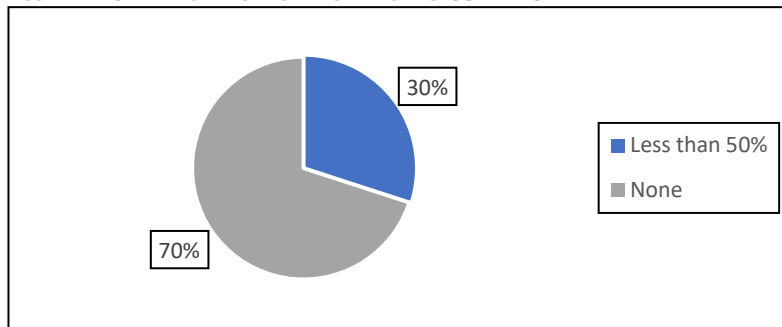


SOURCE: SSP EMPLOYER INTERVIEWS

70% of interviewed employers indicated that no employees are currently working from home, while 30% of the employers indicated that less than 50% of employees are working from home. No employers indicated

that more than 50% of their employees are working from home.

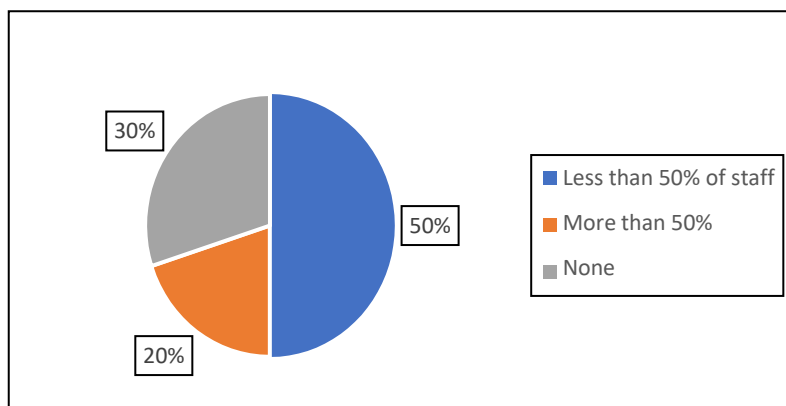
FIGURE 27: STAFF WORKING FROM HOME DUE TO COVID-19



SOURCE: SSP EMPLOYER INTERVIEWS

As seen in the Figure 27, below, 50% of the interviewed employers indicated that less than 50% of their had to take on new roles and responsibilities as a result of the pandemic. 30% indicated that more than 50% of their staff had to take on a new roles and responsibilities while 20% indicated that none of their staff had to take on new roles and responsibilities.

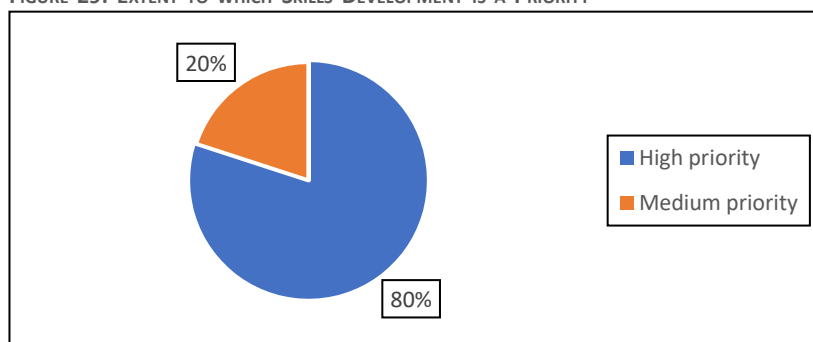
FIGURE 28: NEW ROLES AND RESPONSIBILITIES FOR STAFF DUE TO COVID-19



SOURCE: SSP EMPLOYER INTERVIEWS

80% of the interviewed employers indicated that skills development is a high priority in their organisation in the next 12 months while 20% indicated that it is a medium priority, as seen below. No employers indicated that skills development is a low priority.

FIGURE 29: EXTENT TO WHICH SKILLS DEVELOPMENT IS A PRIORITY

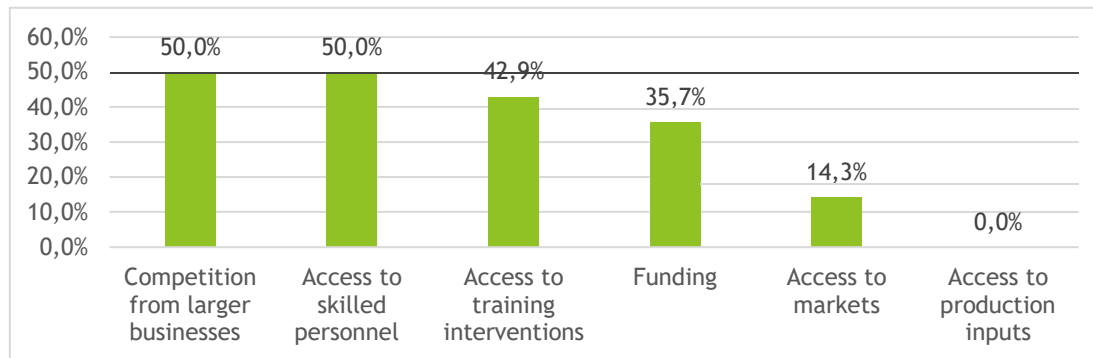


SOURCE: SSP EMPLOYER INTERVIEWS

3.3 SME SSP Survey

Figure 29 illustrates the skills that SMEs (small and micro enterprises) indicated are required but are lacking in the different occupational groups.

FIGURE 30: FACTORS PREVENTING SMME GROWTH



SOURCE: SME SSP SURVEY, 2020

Competition from larger businesses and access to skilled personnel are the two most prevalent factors preventing SMMEs from achieving business growth, followed by access to training interventions and funding.

SMMEs noted that marketing skills, accountability, people skills and, overall, more skilled individuals are required for their businesses to succeed, at both a lower and managerial level. The shortage of skilled candidates poses a challenge to the productivity and output of SMMEs, although there are opportunities for upskilling that could in turn affect the overall performance of SMMEs.

Increasing fuel prices and load shedding were also said to be hindering small businesses' ability to succeed.

When asked what support SMMEs required from larger businesses or organisations in the sector, there were several indications of financial investment or trade being the most important and immediate type of support required?

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 2023 (Table 12) and validated through fieldwork:

TABLE 12: SKILLS GAPS

SOFT SKILLS: EMOTIONAL INTELLIGENCE/ PEOPLE SKILLS SUCH AS MANAGING DIVERSITY/ COMMUNICATION SKILLS
MANAGEMENT: LEADERSHIP SKILLS/ MENTORING AND COACHING/ PLANNING AND PROJECT MANAGEMENT/ CONFLICT MANAGEMENT/ BUSINESS MANAGEMENT/ FINANCIAL MANAGEMENT/ PERFORMANCE MANAGEMENT/ HUMAN RESOURCE MANAGEMENT/ CHANGE MANAGEMENT
TECHNICAL: FINANCIAL SKILLS/ PRODUCT KNOWLEDGE/ VISUAL MERCHANDISING/ FIRST AID/ PROJECT MANAGEMENT/ MARKETING SKILLS/COVID-19 SAFETY/ DIGITAL AND 4IR SKILLS
OTHER: CUSTOMER SERVICE/ COMMUNICATION SKILLS/ NUMERACY AND LITERACY/ ABILITY TO APPLY KNOWLEDGE/ SALES SKILLS/ CONFLICT RESOLUTION SKILLS

SOURCE: WSP/ATR DATA 2023; SSP SURVEY; EMPLOYER INTERVIEWS; SSP PROVINCIAL ENGAGEMENTS

The most important Skill Gaps by major occupation group (Table 13) are:

TABLE 13: SKILLS GAPS BY MAJOR OCCUPATION GROUP

#	Skills Gap	Managers	Professional	Technician & Associate Professionals	Clerical Support Workers	Service & Sales Workers	Craft & Related Trades Workers	Plant & Machine Operators	Elementary Occupations
1	Forklift Training							Forklift Driver Delivery Driver Engineering Production Systems Worker	Warehouse Assistant Warehouse Worker / Shelves Paint Factory Hand
2	Harassment	Customer Service Manager Retail General Manager Director (Enterprise / Organisation)	Financial Accountant Technical Representative / Salesperson Software Developer	Marketing Coordinator Retail Buyer Personal Assistant	Accounts Clerk General Clerk Call or Contact Centre Agent	Sales Assistant (General) Retail Supervisor Security Officer	Electrician Joiner Mechanical Fitter	Wood Processing Machine Operator Forklift Driver Truck Driver (General)	Timber and Wood Process Worker Store Person Commercial Cleaner
3	Product Knowledge							Delivery Driver Product Assembler Food and Beverage Process Operator	Meat Packer Store Person Shelf Filler
4	Occupational health and safety	Retail General Manager		Visual Merchandiser	Stock Clerk / Officer Dispatching and Receiving Clerk / Officer	Food Service Counter Attendant Sales Assistant (General) Cashier	Confectionary Baker Butcher	Truck Driver (General) Forklift Driver Delivery Driver	Meat Packer Shelf Filler Store Person
5	Warehouse Management				Dispatching and Receiving Clerk / Officer Stock Clerk / Officer Warehouse Administrator / Clerk	Sales Assistant (General)	Butcher		

#	Skills Gap	Managers	Professional	Technician & Associate Professionals	Clerical Support Workers	Service & Sales Workers	Craft & Related Trades Workers	Plant & Machine Operators	Elementary Occupations
6	Financial Skills			Office Supervisor Retail Buyer Insurance Risk Manager	Stock Clerk / Officer Accounts Clerk General Clerk	Office Cashier Sales Assistant (General) Checkout Operator	Confectionary Baker Electronic Repair Technician Cable Jointer		
7	Digital and 4IR skills	Retail General Manager Customer Service Manager Business Training Manager	Management Consultant Computer Network and Systems Engineer General Accountant	Retail Buyer Office Supervisor Commercial Sales Representative	Stock Clerk / Officer Accounts Clerk Dispatching and Receiving Clerk / Officer	Checkout Operator Sales Assistant (General) Office Cashier	Quality Controller (Manufacturing) Butcher Patternmaker		
8	Systems Skills			Credit or Loans Officer Office Supervisor Retail Buyer	Stock Clerk / Officer Dispatching and Receiving Clerk / Officer General Clerk	Office Cashier Sales Assistant (General) Checkout Operator	Signwriter Abattoir Process Worker Automotive Motor Mechanic		
9	Labour Relations / HR	Retail General Manager Customer Service Manager Human Resource Manager	Business Analyst Product Manager Technical Representative / Salesperson						
10	Supervisory, Leadership and Mentoring Skills	Retail General Manager Customer Service Manager Sales Manager	Product Manager Financial Accountant Human Resource Advisor						

SOURCE: WSP/ATR 2023; SSP SURVEY; EMPLOYER INTERVIEWS; SSP PROVINCIAL ENGAGEMENTS

The key finding from the skills gap by occupation group is that Digital and 4IR skills are important to middle and senior occupations in the sector, and that skills relating to Harassment are important across all occupational levels.

3.4 Extent and Nature of Skills Supply

This section examines skills provision for Universities and TVET Colleges:

3.5.1 Enrolment in Post-School Education and Training Institutions

The Post-School Education and Training system had 343 institutions which included 26 public Higher Education Institutions, 132 private Higher Education Institutions, 50 Technical and Vocational Education and Training (TVET) colleges, 126 registered private colleges and 9 Community Education and Training (CET) colleges.

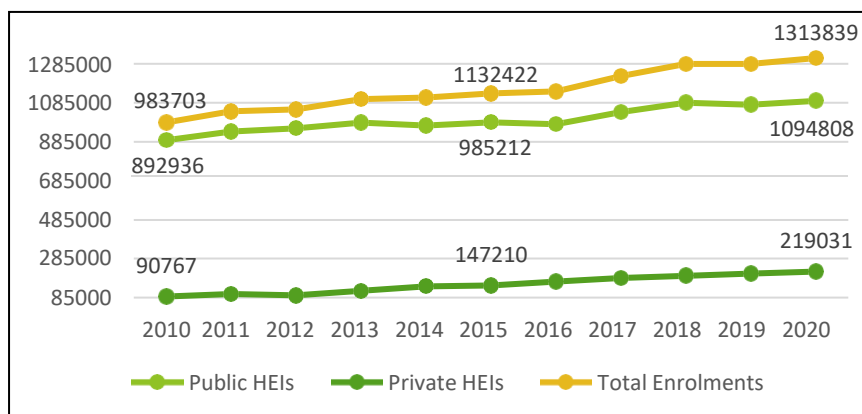
The Technical and Vocational Education and Training (TVET) colleges provide technical and vocational education and training programmes to learners who completed at least Grade 9 at school level. However, there are also opportunities for learners with a Grade 12 certificate. In 2020, TVET colleges were inclusive of 50 public TVET colleges with 254 registered campuses and other sites of delivery relating to provision of part-qualifications, qualifications, and other programmes. The TVET College enrolment process and cycle is different because it has 6 enrolment cycles in 1 academic year, where enrolments will be annually, per semester or per trimester.

The majority of enrolments in TVET colleges in 2020 were youth between the ages of 20 and 24 years, who accounted for 60,17% of total enrolment in TVET colleges (272 152 of 452 277). Enrolment was the lowest for students who were 35 to 39 years old and those older than 40 years of age. Of the 452 277 students that enrolled in 2020, 60,78% of students enrolled for Report 191 (N1 – N6) qualifications, of which 60,86% are between the ages of 20 and 24 years old. Of the 452 277 students that were enrolled, 92,78% are African students, 6,43% are Coloured, 0,18% are Indian/Asian students and 0,6% are White students. Of the enrolled students, 4 258 of the students have reported to have a disability in 2020, of which 2 475 are female and 1 783 are male.

The Higher Education (HE) Sector is intended to perform the following three functions as outlined in the National Development Plan (NDP) which are to educate and equip people with high-level skills to meet the employment needs of the public and private sectors; to produce new knowledge and assess and find new applications for existing knowledge; and to provide opportunities for social mobility while strengthening equity, social justice and democracy to deal with the injustices brought about by the apartheid system. In 2020, the Higher Education (HE) sector comprised of 26 universities and 132 private higher education institutions (PHEIs).

Access to quality education and dissemination of structured educational content has become more challenging due to COVID-19 and the restrictions placed on a national level, which affect the way in which classes can be conducted. This has meant that Higher Education Institutions along with DHET have had to develop new ways to ensure that students continue on their path of education without disruption from restrictions. This has seen a shift to a blended learning approach inclusive of face-to-face, remote, and online classes. Not only has it been beneficial in adherence to the COVID-19 restrictions, but it has also opened the path to transitioning to a virtual work of school and working which is also being fostered in by the Fourth Industrial Revolution. An added challenge to this was how to ensure that students from disadvantaged and/or rural areas are still able to attend and engage in online and remote lessons and schoolwork despite access to internet and the required hardware and software. However, institutions responded by providing means for those students to attend their classes or putting their learners on a rotational schedule for attending classes.

FIGURE 31: NUMBER OF STUDENTS ENROLLED IN PUBLIC AND PRIVATE HEIs



SOURCE: DHET STATISTICS ON PSET IN SOUTH AFRICA (2022)

Figure 30 above depicts enrolment in public HEIs reached 1 094 808, while private HEIs reached 219 031 enrolments in 2020. There has been an overall increase in enrolments for public and private HEIs between 2010 and 2020. The total enrolment in HEIs reached 1 313 839 in 2020, which is a 2,28% increase as the total number of student enrolment in public and private HEIs in 2019 was 1 283 890. However, public HEIs saw a slight increase in 2020. While the increase was less than 2%, it was the highest enrolment since 2010. Enrolment at private HEIs increased by 4,8% to 219 031. Additionally, while total enrolments for 2020 tallied to 1 313 839, previous access to university education opportunities was unevenly distributed across the country leaving Mpumalanga and Northern Cape at a disadvantage. This led to the development of University of Mpumalanga and Sol Plaatje University. The development of the two universities is still being overseen, along with Sefako Makgatho Health Sciences University.

The number of students (Table 14) below is enrolment for Post-School Education and Training in TVET Colleges and universities in 2020 are as follows:

TABLE 14: PSET ENROLMENT IN SOUTH AFRICA 2020

Institution	Enrolment
TVET Colleges	452 277
Universities	1 313 839

SOURCE: DHET STATISTICS ON PSET IN SOUTH AFRICA (2022)

Enrolment at public and private HEIs reached over 1.3 million in 2020, with public HEIs enrolling 1 094 808 students and private HEIs 219 031 students. The target set out in the National Development Plan (NDP) is 1.6 million enrolments by 2030. TVET Colleges saw 452 277 enrolments in 2020, which shows a 32,85% decrease.

TABLE 15: NUMBER OF STUDENTS ENROLLED IN TVET COLLEGES 2014 - 2020

Qualification Category	2014	2015	2016	2017	2018	2019	2020
NC(V)	166 433	165 459	154 739	142 373	131 212	138 912	146 637
Report 191 (N1-N6)	486 933	519 464	513 026	510 153	482 175	494 070	274 907
Occupational Qualifications	19 825	20 533	13 472	10 969	20 106	22 886	20 130
Other	29 192	32 424	22 468	22 533	23 355	14 025	10 603

SOURCE: DHET STATISTICS ON PSET IN SOUTH AFRICA (2022)

The number of students enrolled in TVET colleges (Table 15, above) reached 452 277-a 32,85% decrease from the total number of students enrolled in TVET Colleges in 2019. During this period, 60,72% of students enrolled for Report 191 programmes, and 32,42% enrolled for NC(V) programmes. Fewer students enrolled for occupational qualifications (4,45%) and 'other' qualifications (2,34%). The majority of enrolments were for Report 191 programmes and fewer enrolments were for other qualifications throughout the period under review. The TVET curriculum also needs to be extended to include wholesale and retail related courses and programmes, which can be done through the establishment of Centres of Specialisation (CoS). In 2020, of the 17 colleges interviewed on CoS, more than half had approved CoS campuses and

16 were already offering retail programmes, with respect to wholesale and retail operations (W&RSETA, 2020).

A total of 57 245 students (Table 16 below) completed key exit levels N6 in TVET colleges in 2020, translating to a completion rate of 95,7%. Of all the N6 courses below, four had a completion rate of 100%.

TABLE 16: TVET COLLEGES REGISTRATION AND COMPLETION IN N6 QUALIFICATIONS

Qualification	Total Registered	Total Wrote	Total Completed	Completion ⁶ Rate (%)	Adjusted ⁷ Completed Rate (%)
N6: Art and Design	106	103	103	100	97,2
N6: Business Management	5 857	5 590	5 334	95,4	91,1
N6: Clothing Production	149	136	134	98,5	89,9
N6: Educare	2 196	2 106	2 105	100	95,9
N6: Engineering Studies	16 529	15 978	14 571	91,2	88,2
N6: Farming Management	1 050	1 040	1 025	98,6	97,6
N6: Financial Management	5 221	5 052	4 909	97,2	94,0
N6: Hospitality and Catering Services	1 553	1 497	1 496	98,6	96,3
N6: Human Resources Management	5 913	5 718	5 564	97,3	94,1
N6: Legal Secretary	400	380	372	97,9	93
N6: Management Assistant	10 712	10 382	10 214	98,4	95,4
N6: Marketing Management	2 817	2 649	2 482	93,7	88,1
N6: Medical Secretary	82	81	80	98,8	97,6
N6: Popular Music: Composition	5	4	4	100	80
N6: Popular Music: Performance	77	70	70	100	90,9
N6: Popular Music: Studio Work	51	48	47	97,9	92,2
N6: Public Management	7 037	6 822	6 650	97,5	94,5
N6: Public Relations	481	466	460	98,7	95,6
N6: Tourism	1 757	1 666	1 645	98,7	93,6

SOURCE: DHET STATISTICS ON PSET IN SOUTH AFRICA (2022)

Overall, TVET colleges in 2020, 26 343 (2,24% more than in 2019) students registered for the NC(V) Level 4 qualification examinations of which 18 908 students were female. In 2020, the number of students who wrote examinations for NC(V) Level 4 programmes was 22 273 (Table 17, below).

TABLE 17: TVET COLLEGE NCV LEVEL 4 REGISTRATION AND COMPLETION 2019

Programme	Total Registered	Total Wrote	Total Completed	Completion ⁸ Rate (%)	Adjusted ⁹ Completed Rate (%)
L4: Civil Engineering and Building Construction	1 390	1 125	496	44,1	35,7
L4: Drawing Office Practice	13	8	4	50,0	30,8
L4: Education and Development	714	611	401	65,6	56,2
L4: Electrical Infrastructure Construction	2 971	2 610	958	36,7	32,2
L4: Engineering and Related Design	2 627	2 215	995	44,9	37,9
L4: Finance Economics and Accounting	1 787	1 504	770	51,2	43,1

⁶ The completion rate (%) according to the DHET's Statistics on Post-School Education and Training in South Africa (2019) is calculated by dividing the total completions by the total that wrote and multiplying by 100.

⁷ The adjusted completion rate (%) as calculated by the authors of this document is calculated by dividing the total completions by total registered and multiplying by 100.

⁸ The completion rate (%) according to the DHET's Statistics on Post-School Education and Training in South Africa (2019) is calculated by dividing the total completions by the total that wrote and multiplying by 100.

⁹ The adjusted completion rate (%) as calculated by the authors of this document is calculated by dividing the total completions by total registrations and multiplying by 100.

Programme	Total Registered	Total Wrote	Total Completed	Completion ⁸ Rate (%)	Adjusted ⁹ Completed Rate (%)
L4: Hospitality	1 962	1 684	954	56,7	48,6
L4: Information Technology and Computer Science	1 053	879	353	40,2	33,5
L4: Management	1 158	941	701	74,5	60,5
L4: Marketing	1 264	1 074	529	49,3	41,9
L4: Mechatronics	181	167	98	58,7	54,1
L4: Office Administration	6 514	5 485	3 741	68,2	57,4
L4: Primary Agriculture	886	797	495	62,1	55,9
L4: Primary Health	242	209	131	62,7	54,1
L4: Process Plant Operations	136	121	37	30,6	27,2
L4: Safety in society	1 044	915	471	51,5	45,1
L4: Tourism	1 693	1 332	974	73,1	57,5
L4: Transport and Logistics	708	596	399	66,9	56,4

SOURCE: DHET STATISTICS ON PSET IN SOUTH AFRICA (2022)

Universities have seen a gradual increase in undergraduate enrolments from 2014 to 2019. However, there was a decrease in enrolments across all qualification categories from 382 950 in 2019 to 372 588 in 2020.

Table 18 below are the number of students enrolled in universities from 2014 – 2020.

TABLE 18: UNIVERSITY ENROLMENTS BY QUALIFICATION CATEGORY FOR 2014 - 2020

Qualification Category	2014	2015	2016	2017	2018	2019	2020
Undergraduate	247 247	247 549	259 634	266 610	272 762	282 133	279 368
Postgraduate	95 418	95 584	96 485	96 936	96 518	95 631	89 411
Other	6 102	5 942	5 667	4 511	4 877	5 186	3 809

SOURCE: DHET HEMIS PEER DATA (2022)

Table 19 below, enrolments for university undergraduates for 2020 are as follows:

TABLE 19: UNDERGRADUATE ENROLMENTS AND COMPLETIONS IN UNIVERSITIES

Qualification	Enrolment	Completions
Business Management	44 640	10 251
Education	52 186	13 782
Other Humanities	82 074	18 384
Science, Engineering and Technology (SET)	100 468	19 284

SOURCE: DHET HEMIS PEER DATA (2020)

Completions of postgraduate qualifications are much lower than the yearly enrolments. Education postgraduate qualifications only saw a total of 2 869 completions, while enrolments for that year were 9 021. The highest enrolments and completions were for SET qualifications, as it is said that many entry occupations in this field require more than an undergraduate qualification.

Table 20 below shows enrolments and completions for Postgraduate students in universities in 2020.

TABLE 20: POST-GRADUATE ENROLMENTS AND COMPLETIONS IN UNIVERSITIES

Qualification	Enrolment	Completions
Business Management	20 100	9 471
Education	9 021	2 869
Other Humanities	21 197	7 192
Science, Engineering and Technology (SET)	39 093	12 320

SOURCE: DHET HEMIS PEER DATA (2020)

3.5.2 W&RSETA Supported Programmes

The enrolments and graduates for the W&RSETA for 2020/21 (Table 21) were as follows:

TABLE 21: W&R SETA ENROLMENTS AND CERTIFICATION (2020/21)

Institutional Type	Learner-Ships	Skills Programmes	Intern-Ships	Recognition of Prior Learning (RPL)	Apprentice-Ship	Total
Number of workers enrolled for programmes	n/a	7452	n/a	0	n/a	7452
Number of workers certified for programmes	638	1038	n/a	59	n/a	1735
Number of unemployed learners enrolled for programmes	3595	1069	728	n/a	n/a	4742
Number of unemployed learners certified for programmes	1973	462	230	n/a	n/a	2665
Number of Apprenticeship registered	n/a	n/a	n/a	n/a	n/a	0
Number of Apprenticeship completions	n/a	n/a	n/a	n/a	n/a	0

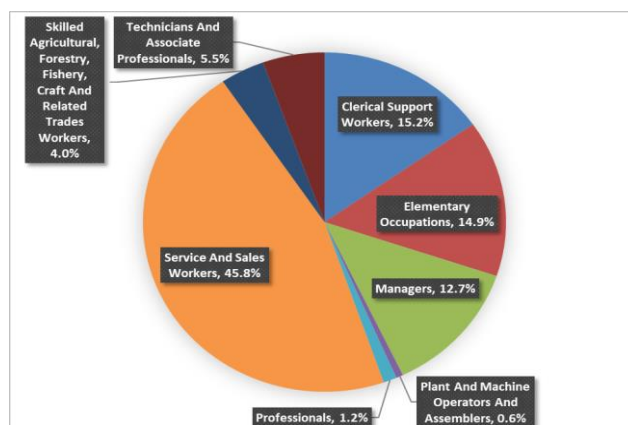
SOURCE: W&RSETA ANNUAL REPORT (2021)

The number of workers that enrolled for programmes was 7 452. The number of completions was 1 735. The number of unemployed learners that enrolled for programmes was 4 742. The number of completions was 2 665. The W&RSETA's enrolments and completions for apprenticeships were 0.

3.5.3 Annual Training Reports

Figure 31 depicts a total of 3 231 860 employees in the sector received training in various occupational classes.

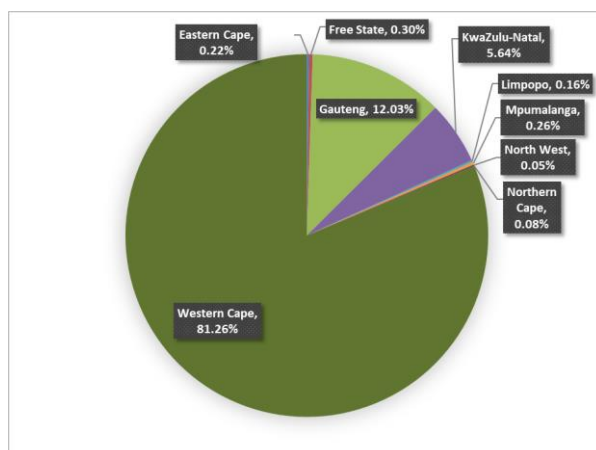
FIGURE 32: BENEFICIARIES OF TRAINING PER OCCUPATIONAL CLASS FOR 2021/22



SOURCE: WSP/ATR DATA 2021/22

Figure 32 depicts the largest numbers of trainees were in the service and sales worker's category.

FIGURE 33: BENEFICIARIES OF TRAINING BY PROVINCE 2021/22



SOURCE: WSP/ATR DATA 2021/22

Most training occurred in the Western Cape, followed by Gauteng and KwaZulu-Natal.

3.5 Sectoral Priority Occupations and Interventions (PIVOTAL)

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 below in Table 22.

TABLE 22: SECTORIAL PRIORITY OCCUPATIONS

Occupation	OFO Code	Quantity Required
Retail General Manager	142103	470
Retail Buyer	332301	214
Safety, Health, Environment and Quality (SHE&Q) Practitioner	226302	26
Blockman/Butcher	681103	183
ICT Security Specialist	252901	0 ¹⁰
Visual Merchandiser	343203	65
Confectionary Baker	681201	77
Inbound Contact Centre Consultant	422201	163
Software Developer	251201	37
Data Scientist	251102	44

SOURCE: WSP ATR SUBMISSION 2023; SSP SURVEY; EMPLOYER INTERVIEWS; SSP PROVINCIAL ENGAGEMENTS

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, provincial engagements, interviews, survey, and WSP/ATR analysis.

Main findings that informed the Sectoral Priority Occupations: Occupations that were most consistently identified in research 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, viz.: What occupations are HTFVs? How many did you require in the previous 12 months?
- **Ranking:** The **Sectoral Priority Occupations** were ranked in descending order in terms of the highest number of HTFVs.
- **Consultative Processes:** Provincial engagements, interviews and surveys were conducted to validate the HTFVs.
- **Interventions:** The interventions are informed by feedback received by provincial engagement participants and approved by the Board.
- **Outcomes:** The outcome is demand-led skills planning by the W&RSETA.

3.6 Conclusion

Chapter 3 of the Sector Skills Plan (SSP) focused on understanding the Wholesale and Retail Sector's demand for skilled workers, aiming to improve workforce planning and upskilling. By analysing factors such as market trends, technological advancements, and regulatory changes, valuable insights were gained to address skills gaps and workforce challenges. The data obtained from various sources like WSP/ATR data, SSP Online survey, employer interviews and stakeholder engagements, outlined sector demand as per the outcomes of the data analysis and validation. Chapter 3 offers a foundation for strategic workforce planning and effective training programs to optimize skilled workers' utilization in the Wholesale and Retail Sector. The W&RSETA is not only concerned about growing and developing skills within our Wholesale and Retail Sector but intends to develop skills and promote employment opportunities across relevant sectors.

4 CHAPTER FOUR: SETA PARTNERSHIPS

4.1 Introduction

Stakeholder partnerships are increasingly becoming the adopted approach to meeting industry needs for skilled workers and workers' need for better jobs. Partnerships provide a means for the W&RSETA to engage directly with industry across traditional boundaries better aligning training programmes and resources.

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.

4.2 An Analysis of Existing SETA Partnerships

The SETA partnered with following training providers and other key stakeholders in the past year as illustrated in Table 23, below:

TABLE 23: EXISTING PARTNERSHIPS

#	Name of Partner	Objective	Value of Partnership	Term and Duration (Start and End Date)
1.	Namibia Training Authority (NTA)	<ul style="list-style-type: none"> Planning collaborative research, educational and training projects. Training of TVET Practitioners (Capacity Building). Sharing or experiences and enabling contracts in Work-Integrated Learning (WIL). Apprenticeship exchange programmes for students and lecturers Qualification development, articulation, and career mapping Sharing of skills planning best practices 	<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 	24 Feb 2022 to 31 Mar 2027
2.	MICT SETA	<ul style="list-style-type: none"> Implementation of cross-sectoral occupations and skills. Joint research projects. Promote industry specific collaborative research 	<ul style="list-style-type: none"> Joint research focus on innovation Qualification development Entrepreneurship 	10 Nov 2021 to 31 Mar 2026
3.	REAL at Wits	<ul style="list-style-type: none"> Contribution towards research agenda Sector engagement on labour market trends 	<ul style="list-style-type: none"> Broadened scope of research content Joint research focus on innovation OFO capacity building 	17 Nov 2020 to 31 Mar 2024
4.	Small Enterprise Development Agency (Seda)	<ul style="list-style-type: none"> SME and informal business support projects Promote industry specific collaborative research 	<ul style="list-style-type: none"> Assist and grow the SMME sector 	01 Apr 2020 to 31 Mar 2024
5.	Nelson Mandela University (NMU)	<ul style="list-style-type: none"> Joint Research focusing on innovation. Joint special project partnership with TVET colleges. 	<ul style="list-style-type: none"> Joint Research Focus on Innovation 	28 Oct 2023 to 31 Mar 2028
6.	Council for Scientific and Industrial Research (CSIR)	<ul style="list-style-type: none"> Promote industry collaborative research around evidence-based skills planning and innovation 	<ul style="list-style-type: none"> Joint Research Focus on Innovation 	23 May 2019 (Automatically renewed annually)

#	Name of Partner	Objective	Value of Partnership	Term and Duration (Start and End Date)
7.	Central University of Technology (CUT)	<ul style="list-style-type: none"> • Sector research agenda • Implementation of post-graduate programmes 	<ul style="list-style-type: none"> • Implementation of Research Agenda focusing on Waste Management and Innovation 	
8.	University of Venda	<ul style="list-style-type: none"> • Information sharing • Joint research • Implementation of post-graduate programmes 	<ul style="list-style-type: none"> • Master's and PhD funding (Research agenda implementation) 	31 October 2022 to 31 Mar 2028
9.	Innovation Hub	<ul style="list-style-type: none"> • Provide entrepreneurship and innovation programmes through incubation programmes. • Provide youth employment opportunities focusing on digital economy and green economy. • The provision of township economic revitalization programmes through eKasiLabs initiatives. • Create a platform to respond to sector change drivers. • Promote graduate workplace readiness programmes. • Promote innovation and entrepreneurship initiatives aligned to W&R sector priorities. 	<ul style="list-style-type: none"> • Technopreneurs and sector innovation initiatives 	31 October 2022 to 31 Mar 2028

4.2.1 Successes and Failures

The below presents the key successful partnerships that have been put in place, the reasons for this success, challenges, and identified measures to strengthen partnerships going forward.

- Successful partnerships:
 - Namibia Training Authority (NTA)
 - Central University of Technology (CUT)
 - University of Venda (UNIVEN)
 - University of Zululand (UNIZULU)
 - MICT SETA
- Reasons for success:
 - Key priority areas clearly identified in MOU.
 - Clear allocation of roles and responsibilities (nominated official responsible for MOU).
 - Finalised implementation plan.
 - Active participation on the research agenda update and development.
 - Regular communications on sector priorities.
- Challenges:
 - Delays in finalising implementation plan.
 - Limited participation in the update of the Research Agenda.
 - No resolute official to respond to matters related to the MOU.
- Measures to strengthen partnerships:
 - Signed implementation plan for all finalised MOUs.
 - Established regular communication and discussion channels through the committees.

Table 24 below presents the general successes and failures experienced from partnerships.

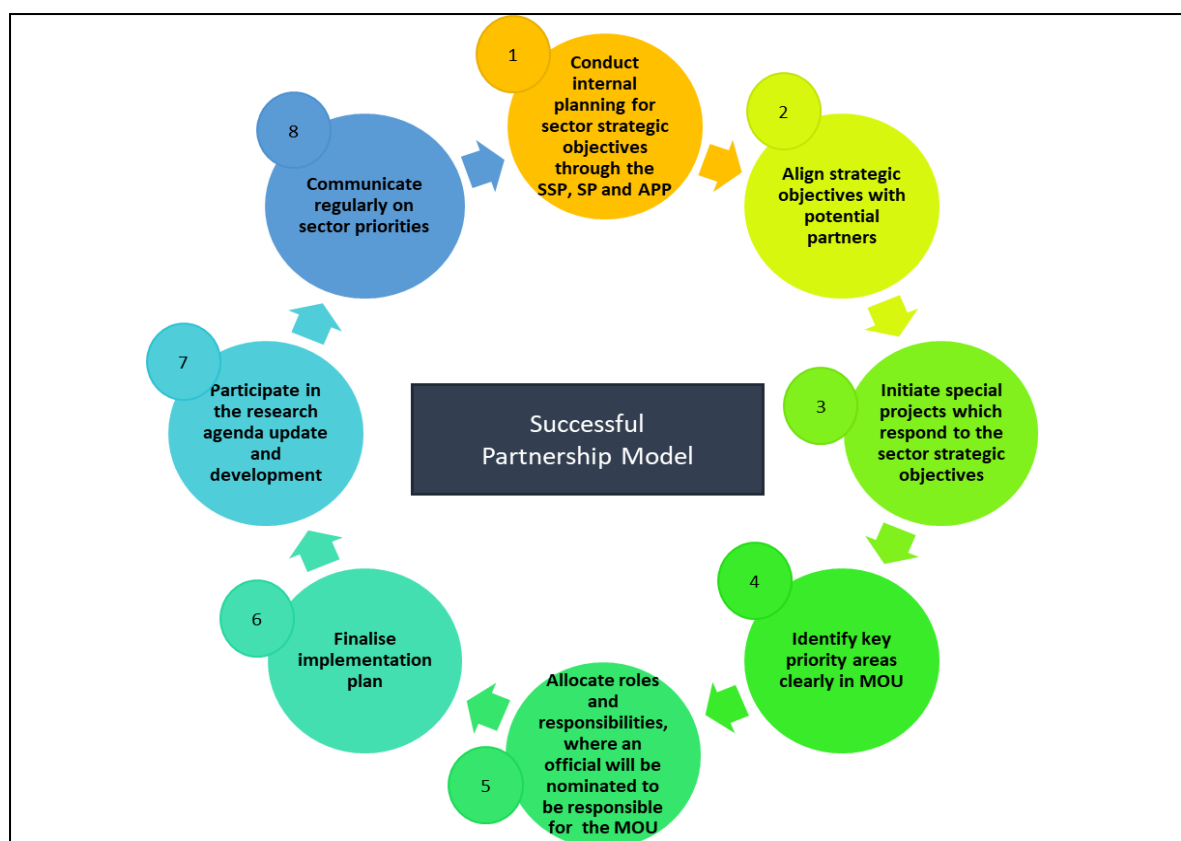
TABLE 24: SUCCESSES AND FAILURES

Successes	Failures
<ul style="list-style-type: none"> Signed seven MoU's signed with National institutions and one. International Institution Nomination of research partners to form part the Research Syndicate Funded Diploma, BTech, master's and PhD Students through Research Chair Improved industry consultation Conducted innovative industry research. Wholesale & Retail Leadership Chair successfully launch 	<ul style="list-style-type: none"> Delays in implementing the Research Syndicate. Not enough time allocated for the implementation of Wholesale and Retail Leadership Chairs. Delays in finalising implementation plan Travel restrictions frustrated partnership delivery Limited participation in the update of the Research Agenda

4.2.2 Most Successful Partnership Model

The W&RSETA's adopted partnership model (Figure 33, below) is stakeholder driven and starts with W&RSETA's internal strategic planning through the SSP, SP and APP, which allows for strategic objectives alignment with potential partners. Stakeholders initiate special projects which respond to the sector strategic objectives and align with their strategic objectives. Key priority areas are identified in the MOU based on the strategic objectives. Following this, an official is nominated to be responsible for the MOU. The implementation plan for the project is finalised, requiring participation on the research agenda update and development. Regular communication on sector priorities is required throughout the process to ensure strategic alignment. This model has contributed significantly to ensuring that sector stakeholders are part of the W&RSETA skills development interventions and implementation.

FIGURE 34: SUCCESSFUL PARTNER MODEL



4.3 Planned Partnerships

Table 25 below depicts the following planned partnerships planned.

TABLE 25: PLANNED PARTNERSHIPS

	Name of institution	Objective	Duration
1.	Botswana Institute for Technology and Research (Botswana)	<ul style="list-style-type: none"> Information sharing on sector research. Joint Research on innovation Entrepreneurship development initiatives 	Planning Phase
2.	Ravensburg University (Germany)	<ul style="list-style-type: none"> Information sharing on skills demand and supply best practices. Joint Research and innovation on entrepreneurships and employability 	Planning Phase
3.	Skills Development Fund (SDF, Rwanda)	<ul style="list-style-type: none"> Information sharing on ICT innovation and entrepreneurship development 	Planning Phase

Table 26 below depicts the following planned Memoranda of Understanding with private and public skills development organisations.

TABLE 26: PLANNED PARTNERSHIPS (OTHER KEY ROLE PLAYERS)

	Name of institution	Objective	Duration
1.	Vaal University of Technology (VUT)	<ul style="list-style-type: none"> Information sharing Joint research Implementation of post-graduate programmes 	Initiation Phase
2.	Statistics South Africa (StatsSA)	<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

Partnerships are planned with anticipated successes and outcomes at the core. The above listed planned partnerships stem from a mutual interest in similar strategic and research objectives. To promote access to the W&R sector, the University of Venda, a previously disadvantaged institution (PDI), would be supported to offer bursaries to rural communities and historically disadvantaged individuals. Statistics South Africa (StatsSA) acquires data to inform supply and demand planning, which ensures a national scope that is helpful in expanding W&RSETA's sector scope. University of Mpumalanga, as a newly established university, is involved with the SETA in qualification development, information sharing on qualifications and postgraduate funding. The listed PDIs and TVETs should also form partnerships with universities that have research chairs, to improve the research produced by PDIs and TVETs, and improve the calibre of TVET lecturers.

The challenge that has been identified with regard to international partnerships has been delays in finalisation 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 prioritise effective stakeholder engagement and sector partnership value chain analysis to identify key relevant institutions for partnerships.

4.4 Conclusion

The existing partnerships are working well. There will be a more monitoring, evaluation, and impact assessments of these partnerships. The sector partnership value chain analysis will contribute towards ensuring that new partnerships with potential partners serve sector priorities and respond to national imperatives.

5 CHAPTER FIVE: MONITORING AND EVALUATION (M&E)

5.1 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 prioritization 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 new decentralised operating model is expected to enhance monitoring and evaluation processes as regional offices will have enhanced oversight over the implementation of the SETA's programmes through the provincial skills plan.

5.2 W&RSETA Approach to M&E

The current W&RSETA Monitoring and Evaluation (M&E) policy, which was updated in May 2021, has its roots in the following three foundational policies: Policy Framework for the Government-Wide Monitoring and Evaluation System (GWMES) (The Presidency, 2007), Framework for Programme Performance Information (National Treasury, 2007) and the South African Statistical Quality Assessment Framework (SASQAF) (Statistics South Africa, 2008). According to the National Plan for Post-School Education and Training (NP-PSET), SETAs need to be rendered more effective and efficient by concentrating their efforts on supporting skills planning through engagement with industry, ensuring that funding is allocated to support provision against demand, and enabling access to and strengthening provision of workplace-based learning (W&RSETA, 2021). The M&E policy exists to ensure that the SETA is effective and efficient by documenting the approach, standards, and minimum requirements that it must adopt and implement. The SETA's aims and objectives must be implemented through plans which must be monitored to measure progress towards the achievement of planned targets, so that monitoring findings can be used to improve performance, future planning, and budgeting. Monitoring must be planned and conducted continuously by collecting data on specified indicators, verifying, storing the data, and analysing and reporting the findings. These findings are used to provide management, oversight institutions, and the public with information about the extent to which implementation of plans have progressed (W&RSETA, 2021).

In September 2021, the W&RSETA released the 2020–2025 Theory of Change and Monitoring and Evaluation Framework. This framework is underpinned by the Revised National Evaluation Policy Framework (NEPF) (released in 2019) which is aimed at “promoting credible and quality evaluations, which can be used for learning to improve the effectiveness, efficiency, relevance and impact of government interventions” (W&RSETA, 2021). The NEPF commits all spheres of government to ensuring that credible and objective evidence from evaluations is produced and used to inform planning, budgeting, policy review, programme management, and performance management. Within the PSET sector, evaluations aim to assess whether PSET interventions are improving people's access and quality of education—effectively identifying cause-effect relationships within the PSET context. The framework addresses the requirements for a successful M&E approach and emphasises the ‘why’ and ‘what’ of M&E and roles and responsibilities.

The Theory of Change (ToC) describes a process of planned change, from the assumptions that guide its design, the planned outputs, and outcomes to the long-term impacts it seeks to achieve. The W&RSETA revised the Theory of Change and Monitoring and Evaluation Framework to obtain an understanding of the following:

- Monitoring and reporting of progress towards predetermined targets, outputs, and related outcomes

- Understanding the Sector ‘universe’ - How large is the need in the Sector (what is the baseline of beneficiaries) and where is the largest need?
- To what extent are skills programmes demand-led, and aligned to sector needs?
- What are the constraints and enablers for the implementation of programmes established to equip the W&R workforce with relevant skills?
- To what extent is the funding model used for learnership/artisan/skills programmes suitable for these programmes?
- To what extent have the programmes structured in response to national priorities created sustainable structures which are responsive to the needs of the communities in which they were implemented?
- To what extent have transformational programmes contributed towards addressing historical inequalities in employment?

Alignment to the decentralised model that has been implemented:

- The SETA introduced Provincial Skills Plans in 2021, which are assisting in the preparation of plans that are flexible enough to account for provincial variations in skills needs. These have not yet been implemented at the level of the APP; however, work is underway to do so.

5.2.1 Functions of M&E Unit

The W&RSETA’s monitoring, and evaluation function is responsible for various monitoring and reporting activities throughout the year, as well as evaluations throughout the years/cycles of planning. The function can be divided into two functions: monitoring (including reporting) and evaluation. Before monitoring can happen, W&RSETA programme managers develop monitoring plans for their relevant areas of work that show the object, focus area, responsibility, schedule, method, cost, data handling processes, and indicators of the monitoring.

Table 27, below shows the various monitoring and reporting activities/functions of M&E. These include in-year (throughout the year), year-end, and mid-term and end of term monitoring and reporting. Reporting may involve evaluating outcomes of programmes, as is the case with Tracer Studies:

TABLE 27: MONITORING & REPORTING FUNCTIONS OF M&E

#	Function	Output
In-year Monitoring and Reporting		
1.	Reporting on artisan targets	Monthly artisan report
2.	Reporting on annual operational plan	Monthly progress reports
3.	Reporting on annual performance plan	Quarterly performance reports (QPR)
4.	Reporting on skills education and training	Quarterly report for SETMIS
5.	Reporting on absorption / placement	WBPL tracer study reports
Year-End Monitoring and Reporting		
6.	Reporting on financial information and predetermined objectives	Annual report (AR)
7.	Reporting on progress in attainment of Outcomes and Impact	Annual strategy implementation assessment report

#	Function	Output
Mid-Term and End-of-Term Assessment and Reporting		
8.	Reporting on strategic plan	Institutional midterm assessment report (MTAR) (Q2 of year 3 of planning cycle)
		Institutional end-term assessment report (ETAR) (Q4 of year 5 of planning cycle)

In addition to monitoring and reporting, the M&E function also evaluates the SETA's programmes to assess their achievements and produce recommendations for improvements. The findings of evaluations are then used to inform decision making and future planning.

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 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 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 improving 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, relevance, value for money, impact, and sustainability of W&RSETA interventions in responding to transformational imperatives.
- To objectively analyse W&RSETA programmes' performance, as evidenced by improved operational efficiency.
- To evaluate the implementation of learning programmes targeted at sector occupational shortages list.
- To analyse why intended results were not achieved; thus, gather lessons learnt; leading to recommendations for improvement.
- To monitor the decentralised model and promote improved accountability, transparency, and oversight at national and regional levels.
- 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 NSDP and W&RSETA strategic objectives.
- To guard against unintended consequences – well-resourced institutions participating on the programmes thus achieving results and making impact; however, creating further disparities.
- There are plans to develop a data management governance framework.

5.4 The extent of implementation of the previous Strategic Priorities

1.	To Be Achieved
2.	Achieved
3.	To be Achieved by end of the 5 year
4.	Not To Be Achieved

TABLE 28: THE EXTENT OF IMPLEMENTATION OF THE PREVIOUS STRATEGIC PRIORITIES

Outcome	Outcome indicator	Five-year target	Progress Made
Outcome 1: An efficient and effective organisation with good corporate governance	1. An unqualified audit opinion	A clean audit opinion obtained in year 2024/25	Qualified Audit Opinion obtained for 2021/22 2022/23 still under review by AG
	2. % Reduction of manual processes as a result of seamless and optimised business processes	90% reduction of manual processes	90% reduction of identified manual processes
Outcome 2: An integrated Career Guidance Programme	3. A comprehensive career guidance and career development strategy is developed	A career guidance and career development strategy which is developed and implemented to guide the W&RSETA career guidance interventions over the period 2020/21 – 2024/25.	Strategy developed and approved in 2020. The Strategy is currently being implemented
Outcome 3: Growth focused programmes for the development and support of Training Providers and the Higher Education, TVET and CET sectors to enable their responsiveness to changing occupations and technological advances.	4. % Increase in the number of HET, TVET and CET partnerships aimed at enabling their growth New Target	10% increase in the number of partnerships with Training Providers and Further and Higher Education and Training Institutions	200% increase from 2020/21 to 2022/23
	5. Number of education and training institutions and training providers offering W&R occupationally directed programmes	20 HET, TVETs, CET sites/campuses 40 Training Providers (of which 100% are HDI Providers)	32 45 HDI SDPs identified and signed partnership agreements
Outcome 4: A sector responsive Research Agenda that supports and informs the establishment of impact geared W&R skills development programmes	6. Number of research studies conducted in response to the sector needs	20 research reports completed	7 research studies conducted (research reports produced)
	7. Number of impact assessment reports published	5	8 impact tracer studies have been conducted and reports published.
Outcome 5: Increased access to Wholesale and Retail occupationally directed programmes	8. Number of learners participating in occupationally directed programmes	7 000 (4% person with disability 12.5% persons from rural areas)	23797
Outcome 6: Growth focused skills development and entrepreneurship support for emerging entrepreneurs, cooperative sector, and small, medium, and informal business enterprises to enhance their participation in the mainstream economy.	9. Number of informal businesses that have participated in W&RSETA skills development initiatives registered with relevant business or enterprise registration bodies	1000 Informal Businesses registered with relevant registration bodies	
	10. Number of small and medium enterprises that have participated in W&RSETA supplier development programmes registered with CSD	500	

Outcome 6: Growth skills development and entrepreneurship development support for emerging entrepreneurs, cooperative sector, and small, medium, and informal business enterprises to enhance their participation in the mainstream economy.	11. Number of Cooperatives participate in skills development initiatives annually	100	71 Cooperatives
	12. Number of transformation projects implemented in collaboration with industry partners	3	2
Outcome 7: Capacitated trade unions within the W&R sector	13. Number of interventions conducted to capacitate Trade Union members	15 Interventions	24
	14. % Increase in trade union member participation Trade Union Capacitation Programmes	20%	242%
Outcome 8: An appropriately skilled, agile, and responsive workforce and skills pool able to meet the W&R sector current and emerging skills needs.	15. Number of workers registered in programmes addressing Hard to Fill Vacancies as identified in the SSP	10 000	57084
	16. % Reduction of imbalance between skills supply and demand for priority skills in the W&R sector	10%	
	17. Number of employed and unemployed persons obtain qualifications in programmes that address W&R sector current and emerging skills needs for increased sector responsiveness to 4IR and related technological advances.	2 000	55 were traced in 2021/22 and 2022/23
	18. Number of young people supported with ICT skills to access digitisation job and entrepreneurship opportunities in the sector	1 500	763
	19. Number of learners exiting W&RSETA programmes	39 470	20903
	20. Number of previously unemployed persons who have completed W&RSETA programmes are employed or start their own businesses	12 000	3007

5.5 Plan of Action

The M&E plan provides information on how performance against set objectives is measured. It details expected input, activities, and outputs; as well as how data will be collected and analysed to provide information as to targets. The plan further ensures the following:

- To enable implementation of Outcomes Approach and Theory of Change (as per the revised Framework for Strategic Planning and Annual Performance Plans -Guidelines for Implementation (DPME and National Treasury 2019) - Move Away from Focus on Activities and Move Towards Outcomes and Impact
- To ensure that planning and implementation addresses national priorities as specified through aggregated targets in APP, and SLA targets.
- To ensure there is an alignment between Annual Operational Plan (AOP) (activities), APP (Outputs) and Strategic Plan (Outcomes and Impact)

The following are impact and tracer studies which have been completed in the last three financial years:

- Workplace Based Learning (WBL): Tracer Study – Learnerships.

- Workplace Based Learning (WBL): Tracer Study – Internships.
- Impact Studies: An impact study on the Bursary and Placements Funding Model/Grant.
- Impact Studies: An impact study of W&R programmes on persons with Disabilities.
- Youth focus project 2018/20.
- Rural area learnership 2018/19.

The following are impact and tracer studies which are planned for the 2023/24 financial year:

- Workplace Based Learning (WBL): Tracer Study - Learnerships, and
- Impact Evaluation Tool of W&RSETA Skills Development Programmes: Enhancing Education, Employability, and Career Growth.
- Workplace Based Learning (WBL): Tracer Study – Graduate Placement.

5.4.1 Strengthening M&E Function

To support the functions of M&E, the SETA requires improved capacity and capability. That means the M&E function-and by extension the rest of the SETA-should be fully capacitated by having sufficient staff and resources available, as well as training in M&E. To that effect, the M&E unit is working towards:

- Capacitating units on development of M&E plans
- Setting IT-based M&E system requirements
- Setting controls that will protect the integrity of data within the W&RSETA throughout the performance chain.
- Conducting regular assessments of quality of M&E activities and reports by different units
- Establishing performance feedback/review mechanisms
- Managing performance information and reporting on organisational plans (SP, APP, etc.)

5.4.2 Interventions Implemented in Support of ERRP Skills Strategy

The South African Economic Reconstruction and Recovery Plan presents interventions that are geared towards ensuring that the country's economy returns to pre-COVID-19 levels and adds more GDP growth and jobs, in pursuit of the National Development Plan goals for reducing unemployment, poverty, and inequality (South African Government, 2020). The plan, which was presented to the Joint Hybrid Sitting of Parliament by President Cyril Ramaphosa in October 2020, highlights several priority interventions including: Aggressive infrastructure investment; Employment orientated strategic localization, reindustrialisation and export promotion; Energy security; Support for tourism recovery and growth; Gender equality and economic inclusion of women and youth; Green economy interventions; Mass public employment interventions; Strengthening food security; and Macro-economic interventions.

The W&RSETA identified 32 ERRP aligned occupations that are in shortage for reasons such as lack of required technical skills through the SETA Survey Tool. These are aligned to the following ERRP priorities: innovation, industrialisation through localisation, communication and the digital economy, presidential youth employment initiative, agriculture and food security, energy security, and infrastructure investment and delivery. The occupations include quality manager, software developer, purchasing officer, among others. The most appropriate interventions identified included increasing access to programmes (i.e., increasing enrolments), updating or amending qualifications, and reskilling to preserve jobs amongst others. To develop the skills associated with identified occupations W&RSETA suggested inter-SETA partnerships and collaboration; SETA-Employer-TVET Partnerships; development of new occupations in demand; post-graduate funding, and accelerated artisan and or apprenticeship programmes.

Six occupations (aligned to the communications and the digital economy ERRP priority) were identified for addition into the list of occupations that are in shortage, namely: marketing specialist, e-commerce manager, e-commerce planner, ICT specialist, system analyst, e-learning designer. These have been previously identified as emerging occupation as per previous SSPs.

Overall, the W&RSETA identified 6 key ERRP Skills Strategy Interventions that respond to other skills related needs over and above occupations in shortage. These are: expanding the provisioning of short skills programmes (both accredited and non-accredited) to respond to skills gaps identified in the ERRP skills strategy; strengthening entrepreneurship development programmes; expanding the provisioning of workplace-based learning (WBL); increasing enrolments in qualification-based programmes that respond to occupational shortages identified in the strategy; strengthening the post-school education and training system; and embedding skills planning into economic planning processes and vice versa.

5.6 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, two impact studies will be conducted.

The primary objective of these studies is to ensure effective monitoring of return on investment and impact of SETA funded projects. This is to ensure that the SETA skills development interventions are responsive to the sector strategic priorities. The new decentralised operating model is expected to enhance monitoring and evaluation processes as regional offices will have enhanced oversight over the implementation of the SETA's programmes through the provincial skills plan.

6 CHAPTER SIX: SKILLS PRIORITY ACTIONS

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 Findings from Previous Chapters

This section draws insights from previous chapters on skills priorities.

Findings from Chapter 1

Chapter 1 highlights that the wholesale and retail sector is a major contributor to national employment - the job creation opportunities in the sector are enormous. 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.

Eased COVID-19 lockdown regulations, amongst other factors, enabled the economy and the sector to grow with GDP growing by 1,2% in the fourth quarter of 2021 and trade increasing by 2,9% in the same period. While the economy grew in this period, the difficult economic climate can be seen in pharmaceuticals and medical goods, cosmetics & toiletries; and hardware, paint, and glass, which reported losses in the last quarter of 2021. Furthermore, the impact of COVID-19 is expected to last for more than 2 years, with the sector expecting depressed demand, and health concerns necessitating all employers to adopt different approaches to conducting business. The W&RSETA is expected to play a pivotal role in equipping employers with the necessary skills to adapt to revised business and operating models.

The following are the key findings from Chapter 1:

- The trade sector contributes about one in every five workers (20%) to employment.
- 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 such as business management, change management during COVID-19, business expansion and marketing.
- Black people constitute most of the workforce but are under-represented at management levels. This is more acute for females.

Findings from Chapter 2

Chapter 2 highlighted the fact that the COVID-19 pandemic has put severe strain on retailers and wholesalers' ability to remain viable. This applies to all sizes of employers but is likely to be more acutely felt by smaller employers with less cash reserves and less ability to raise loans. Going forward, these retailers will require skills relating to health and safety to comply with COVID -19 regulations, as well as skills and support required to pivot their business and operating models to account for the "new normal."

Furthermore, a large part of the retail sector is made up of SMMEs. It has been indicated that many SMME owners require management skills to maintain a sustainable business.

Chapter 2 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

employees need to be equipped with relevant customer management/relationship skills as well as the ability to work on IT powered systems.

Findings from Chapter 3

The most common HTFVs across the wholesale and retail sector include Retail General Manager; Retail Buyer; Safety, Health, Environment and Quality (SHE&Q) Practitioner; Blockman/Butcher; ICT Security Specialist; Visual Merchandiser; Confectionary Baker; Inbound Contact Centre Consultant; Software Developer; and Data Scientist.

Data Analysts and Web Designers were mentioned as being high priority occupations that new or emerging in the sector.

Addressing skills levels across occupational levels is something employers may need assistance with, to promote the transformation agenda envisioned by the Employment Equity Amendment Bill.

Findings from Chapter 4

The SETA has established successful partnerships with the Namibia Training Authority (NTA), University of Pretoria (UP), Association of Private Providers of Education, Training and Development (APPETD), REAL at Wits and MICT SETA. Further partnerships have been planned for the purposes of information sharing, sector research, research on innovation, entrepreneurship and employability and entrepreneurship development initiatives.

Some of the challenges that have been identified in ensuring that partnerships are successful include delays in finalising implementation plans, limited participation in the update of the Research Agenda and there being no resolute official to respond to matters related to the MOU. The following measures should be implemented to strengthen partnerships:

- Signed implementation plan for all finalised MOUs.
- Established regular communication and discussion channels through the committee's

Findings from Chapter 5

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 new decentralised operating model is expected to enhance monitoring and evaluation processes as regional offices will have enhanced oversight over the implementation of the SETA's programmes through the provincial skills plan.

The successful achievement of sector strategic objectives is dependent on early submission and approval of Annual Performance Plan (APP) projects.

6.2 Recommended Priority 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:

TABLE 29: RECOMMENDED ACTIONS

Key Skills Priority Area	Recommended Actions
Priority Skills Plan(PSP)	<ul style="list-style-type: none"> • Upgrade system to allow for employers to list sub-sector, size, and location in WSP/ATR submissions. • Conduct research study to determine the level of demand vs supply in occupational areas. • Work with DHET to formalise new occupations in terms of the OFO framework in order to facilitate the funding of these new occupations. • Use return-on-investment (ROI) methodologies to determine where the most impact is being made through W&RSETA interventions. • Drive the 4IR transition within the sector and assist businesses, especially SMMEs, to adapt.
SMME, Cooperatives, and Informal Traders Development	<p>New Training Delivery Models-Implement blended learning models to account for sector disruption. Training can be focused on the following:</p> <ul style="list-style-type: none"> • Conduct health and Safety training • Digital and 4IR skills development • Financial management training • Entrepreneurial training for informal traders and SMMEs <p>Encourage More Active Engagement from SMMEs</p> <ul style="list-style-type: none"> • Simplify and streamline the DG and MG processes for SMMEs. • Set aside a funding pool ringfenced for SMME skills interventions (SMMEs attend training and receive funding voucher) • Recognise internal training conducted by SMMEs for DG and MG purposes. • Train SMMEs and informal traders on applicable compliance regulations and prescripts <p>SSP SME and Research Reports Recommendations</p> <ul style="list-style-type: none"> • Partner with small business incubators and consider more flexible funding model to fund training within incubators. • Train retired retailers as mentors and coaches to assist small businesses. • Provide training on access to finance and the development of business plans (partnerships with development financing and support agencies) • Facilitate stakeholder engagement around entrepreneurial development. • Consult sub-sector and regional stakeholder for the design of entrepreneurial development programmes. • Develop the vision and impact targets to ensure sustained benefits – move away from once-off training interventions. • Entrepreneurship Support: In addition to addressing unemployment through employment opportunities, the W&RSETA should provide comprehensive support for aspiring entrepreneurs within the wholesale and retail sector. This support can include mentorship programmes, access to funding opportunities, and business development training to foster the growth of small businesses and stimulate entrepreneurship.
Youth Unemployment	<ul style="list-style-type: none"> • Work Readiness Programmes: To address the subdued job growth and high unemployment rates, the W&RSETA should implement work readiness programmes aimed at equipping unemployed youth with the necessary skills and competencies to enter the sector. These programmes should emphasise practical training, soft skills development, and industry-specific knowledge to enhance employability. • Host annual W&R Sector career and open days, including support material, exhibitions, and classroom talks. • Provide students with helpful information about how to align their academics and extracurricular activities to careers within the sector. • Create awareness by partnering with businesses to educate learners on career trajectories and opportunities. • Develop an online career guidance system. • Partner with educational institutions to develop the school curriculum. • Partner with other SETAs and companies to research and open the market for 4IR/Digital related careers and functions across the economy. • Conduct quarterly roadshows at schools to promote entrepreneurial based careers in retail and wholesale. • Incorporate entrepreneurship into existing W&R modules. • Provide mentors and coaches to small and emerging businesses. • Expose small business owners to new product and retail opportunities. • Expand existing projects for youth into rural areas. • Provide work readiness programmes that include courses and training on relevant content such as how to make the best use of digitisation/ technology in the sector, entrepreneurship, and soft skills.
Hard-To-Fill Vacancies (HTFVs) and Skills Gaps	<ul style="list-style-type: none"> • Upskilling Initiatives: The W&RSETA should prioritise upskilling programmes that target the lower and middle management levels in the wholesale and retail sector. These programmes can focus on developing essential leadership, managerial, and technical skills to enhance productivity and career progression. • Provide more work integrated learning opportunities. This will address the lack of relevant experience. • Provide targeted training for identified HTFVs. This will address the lack of relevant qualifications. • Provide targeted training for previously disadvantaged people. This will address the lack of HTFVs due to equity considerations.

Key Skills Priority Area	Recommended Actions
Stakeholder Engagement	<ul style="list-style-type: none"> Initiate regional stakeholder forums regarding SETA activities. Develop the Research Desk Platform to ensure that stakeholder queries are addressed timeously. Regularly conduct Stakeholder satisfaction surveys.
Sector Transformation, including Training and Employment of People with Disabilities (PWD)	<ul style="list-style-type: none"> Provide courses for existing employees focussing on soft skills required for effective leadership. Conduct research to determine why previously disadvantaged individuals are not adequately represented in top and senior management. Implement mentorship programme to identified employees who show potential for leadership in senior management positions. Improve access to training for SMMEs and individuals in more rural areas. Conduct monthly site visits to training providers to ensure adherence to development plans. Conduct entrepreneurial courses for employed and unemployed people. Host business skills workshops with employees and SME owners. Negotiate distribution agreements with retailers on behalf of SMMEs and implement a customised bursary scheme for PWD to access the sector. Establish internship programme specifically for PWD and encourage companies to employ graduates with disabilities. Increase (on-time) completion rates of people with disabilities, youth and women through effective and relevant training and necessary support such as coaching and mentoring, workplace exposure, paying stipends on time. Providing other types of support such as study leave and psychosocial support. Ensure accreditation of previously disadvantaged training providers to support township and rural communities. Conduct research to establish if the SETA is currently prepared to employ people living with varying disabilities. Provide incentives for employees that employ PWD and other marginalised groups. Provide training and courses in local languages for employees that work in rural areas. Implement targeted funding model for people with disabilities.
Economic Recovery and Reconstruction Plan	<p>Presidential Youth Employment Initiative</p> <ol style="list-style-type: none"> Establish and Expand Employment and Skills Development Programs for Youth: <ul style="list-style-type: none"> Develop and implement employment and skills development programs that specifically target young people, aligning with the objectives of the Presidential Youth Employment Initiative and the Economic Reconstruction and Recovery Skills Strategy. Strengthen Collaboration and Partnerships: <ul style="list-style-type: none"> Actively seek out and establish partnerships with industry stakeholders, employers, and private sector organizations to enhance the effectiveness of skills development initiatives aligned with the Presidential Youth Employment Initiative. Foster collaboration through joint initiatives, shared resources, and knowledge exchange to maximize the impact of skills development programs for youth. Focus on Upskilling and Reskilling in High-Demand Areas: <ul style="list-style-type: none"> Prioritize upskilling and reskilling initiatives that enhance the employability of young people in sectors identified as priorities within the Economic Reconstruction and Recovery Skills Strategy. Identify high-demand areas within these sectors and design training programs that provide relevant skills, such as digital literacy, advanced technical competencies, and entrepreneurship skills, to ensure young people are equipped for success in the evolving job market. <ul style="list-style-type: none"> Capacitation Workshops and Trading Vouchers: ITAMED (Informal Traders and Micro Enterprises Development). Entrepreneurship Development Programme. SME Grant (Small and Micro Enterprise Grant). Unemployed Graduates (Degree and Diploma) are placed to gain workplace experience. Unemployed Interns are placed to gain workplace experience in order to obtain their diplomas. Include employees that fall within marginalised and minority groups in the ILDP and RMDP programmes. Infrastructure and equipment support with CETs, TVETs and Skills Development Centres. Embed economic planning within the skills planning function. Consider review of legislative framework to allow SETA to be more flexible (flexible use of discretionary funds to fund ERRP interventions that are not necessarily pivotal related) <p>Measures to Support National Strategies and Plans</p> <p>The W&RSETA identified nine key ERRP Skills Strategy Interventions that respond national strategies, especially the ERRP Skills Strategy, namely:</p> <ul style="list-style-type: none"> Expanding the provisioning of short skills programmes (both accredited and non-accredited) to respond to skill gaps identified in the ERRP skills strategy. Strengthening entrepreneurship development programmes and expanding the provisioning of workplace-based learning (WBL). Increasing enrolments in qualification-based programmes that respond to occupational shortages identified in the ERRP (e.g., marketing specialist, e-commerce manager, e-commerce planner, ICT specialist, system analyst, e-learning designer). Strengthening career pathing at school level to promote and raise awareness of sector related opportunities to combat youth unemployment. Use technology and 4IR to further mainstream people with disabilities into the sector, as these technologies may improve access to the sector. Consider incorporating basic IT skills, problem solving and critical thinking across curriculums. Strengthening the post-school education and training system; and Embedding skills planning into economic planning processes and vice versa.

6.3 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, including:

- Priority Skills Plan (PSP)
- SMME, Cooperatives and Informal Traders Development
- Youth Unemployment
- Hard-To-Fill Vacancies (HTFVs) and Skills Gaps
- Stakeholder Engagement
- Sector Transformation, including Training and Employment of People with Disabilities (PWD)
- Economic Recovery and Reconstruction and Recovery Plan

Interventions have been confined to a limited number of major skills priorities that can be effective to skills formation in the sector. The field work and data analysis provided additional action items for the sector and strengthened alignment to sector skills priorities.

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