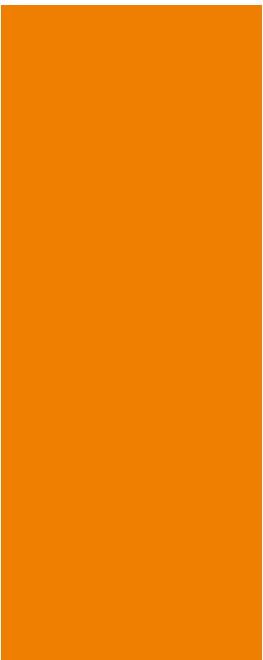


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## Foreword

Our young economic and democratic emancipation is facing a major threat from the shortage of relevant and adequate skills required to support our economic growth. We have always known that the biggest evil of the apartheid system was denying black people their basic right to education and skills. The persistence of this legacy means that the base of skilled people is not growing at nearly the rate required to support our economy, which is significantly larger today than it was prior to the democratic government.

Our economy was growing at an average rate of over 5% in 2005, 2006 and 2007, the first three years of AsgiSA, within the growth projections targeted for that period. In projecting future growth rates, the skills shortage was identified as one of the main threats towards achieving a sustainable gross domestic product (GDP) growth that will be consistent with AsgiSA targets set for the periods 2005 to 2014. At the same time, the global skills shortage persists, mainly created by strengthened emerging economies in the years prior to 2007. South Africa's skills challenge is thus not unique, but the global competition for skills puts us in a less favourable position.

It has been two years since Jipsa was launched. During this period, we have accumulated a great deal more knowledge about the enormity of the task we face. Firstly, we had to acknowledge that the initial 18-month period envisaged for Jipsa would be far too short to address all the short- and medium-term skill challenges that were identified. Secondly, we learned very quickly that the unreserved commitment of all the relevant stakeholders to resolving skills development priorities is a good indicator that we have hit the nail on the head. In these two years, we have thus achieved a lot more than we anticipated, and this is a compelling reason for us to continue the Jipsa initiative. We have also had to contend with the fact that while bottlenecks in infrastructure and industrial policy are being addressed to a great extent, they are also dependent on the outcomes of the Jipsa programmes, which focus on priority and scarce skills acquisition.

Among its achievements, we note that Jipsa, along with all the major stakeholders, has been a catalyst for identifying the major constraints and interventions with respect to engineering capacity and the quality of engineering skills required. We have made significant inroads into increasing the number of artisans in training and are pleased that we are currently training at slightly higher levels than originally expected. For the first time, we unveiled some of the systemic problems relating to the supply of town and regional planners. Jipsa acted as a catalyst for the creation of the ICT Skills Council and has been party to its launch. As Jipsa, we were instrumental in establishing the platform for the Monyetla training programme for BPO, and have engaged critical stakeholders in the need for planning and management skills in the education and healthcare sectors.

We have engaged extensively in diagnosing the nature and intensity of bottlenecks in each of the areas to which the Jipsa mandate committed us. We have tried to stay focused on this critical original mandate, although in some cases we have had to address unanticipated challenges that were found to be blocking the way for South Africa's economic development. Most importantly, we recognised that youth and women are



still the most disadvantaged in our society and that the skills interventions must be consciously designed to accommodate these sectors that require support.



While the prime focus of Jipsa has been on generic skills challenges, we have been very encouraged by the responsiveness of those stakeholders who wanted to sow the seed of skills development. Knowing that time can never be retrieved in skills development, we believe that the implementation of interim solutions in selected cases, was a wise approach. In each of these cases, Jipsa's role has been limited to facilitating and supporting government departments or agencies, which have taken full responsibility for implementation. The Independent Development Trust, Umsobomvu Youth Fund (UYF) and South African Management Development Institute have in many respects been instrumental in realising these Jipsa-forged solutions in practice.

Through these efforts, we have experienced a much higher level of graduate placements than we originally believed was possible: to date, we are heading towards some 20 000 placements all over the world. Many companies that have responded to the need for placements since 2006, have increased their intake of trainees, employed most of the trainees and have served as ambassadors for increased placements. As a result, a large number of unsolicited placement offers materialised, which we greatly welcome. We have also experienced positive results from the Siyenza Manje Programme, based on the placement of retired professionals and volunteers in municipalities to mentor and assist with service backlogs. The Ilima Trust Initiative has assisted with troubleshooting in the public sector, again with an emphasis on municipalities. We greatly appreciate the goodwill of all institutions involved in all these efforts.

Despite this progress, I must emphasise that the skills problem in our country remains massive. Reflecting on the challenges that remain, I realise that more effort is required to get to the "business unusual" scenario, in line with our mandate from the President's 2008 State of the Nation Address. The vacancies in the public sector are still at unacceptably high levels; public schools and university throughputs are still too low; the quality and availability of trainers is a major constraint; and rural communities have inadequate access to education and skills opportunities. These are among other significant national skills challenges.

Jipsa's work would not have been possible without the commitment expressed, from the outset, by the National Business Initiative. The task of the Jipsa Secretariat is not easy and we are fortunate to have acquired their skills and experience. The financial commitment made by the Business Trust shares this vision and displays trust in the overarching objectives that Jipsa is intended to achieve. The Department of Labour has pulled out all stops in addressing the challenges of artisan training, and the training of BPO call centre candidates, among other activities. With this level of commitment, we continue addressing Sector Education and Training (Seta) performance issues as well as other policy-related matters, which impact on skills constraints. The Department of Education has taken centre stage in addressing many of the Jipsa priorities, including increasing engineering enrolments at universities, achieving great success in restructuring further education and training (FET) colleges and in increasing FET enrolments, and working with stakeholders on





strengthening Mathematics and Science in schools. Almost all these are Jipsa priorities. The department has been instrumental in attracting further budget allocations to address many of these skills challenges, and we acknowledge this as a major step towards dealing with the skills challenges we face. To other government departments – at provincial and incrementally at municipal level – 2007 was the year in which the dearth of skills was recognised in very serious terms and actions were initiated.

Through private companies and foreign governments, the international communities, facilitated by the Department of Foreign Affairs, have been kind to us. Our local companies have not only placed candidates and provided Jipsa with significant input, but have also increased training budgets and have formally announced a programme through which the CEOs of top companies will prioritise their skills-development efforts. This implies more focused training opportunities and resources allocated towards skills development. Again, we recognise these initiatives and encourage everyone to work even harder at meeting these challenges.

We bid farewell to Mr Gwede Mantashe, newly elected Secretary General of the ruling party, the African National Congress, in December 2007. Mr Mantashe has relinquished his duties as the Chairperson of the Jipsa Technical Working Group due to extended responsibilities that he acquired in his new role. We congratulate Mr Mantashe and thank him for his selfless contribution to Jipsa.

I call upon the entire nation to recommit ourselves to alleviating the skills shortage in our country. We all have power beyond our measure; if we each do a little, South Africa will be a different place.

We look forward to an even more rewarding 2008!

**Ms Phumzile Mlambo-Ngcuka**  
*Deputy President of South Africa*



## 1 The Joint Initiative on Priority Skills Acquisition

Fourteen years into our democracy, education and skills remain a critical constraint on economic growth and development, and on our ability to improve the quality of life and life-opportunities of our people.

Jipsa was established by Cabinet two years ago to support AsgiSA. AsgiSA's objectives are to reduce the unemployment rate from 30% to 15% by 2014, reduce poverty from one-third to one-sixth of the population by 2014 and to increase the annual GDP growth rate from an average of 3% to 4,5% per annum for the period 2005 to 2009 and to 6% for the period 2010 to 2014.

Jipsa has rightly seen skills acquisition as an economic and labour market issue, as well as a problem of education and training – meaning that the resolution of these issues is dependent on the social partners, as well as on government.

As Jipsa enters its third and final year of operation, it is clear that this initiative has successfully embedded itself in the drive for skills development and economic intervention. At the same time, there has also been some confusion around the aims and purpose of Jipsa, possibly stemming from the complexity of the skills-development arena and the many challenges surrounding it.

This second annual review of activities therefore has three key aims. Firstly, we restate the rationale for Jipsa and outline its approach so as to clarify what can and should be expected of the initiative. Secondly, we list the various activities of Jipsa in its second year of operation, focusing on achievements, the various partners and delivering agents involved in each of these priority skill areas. Finally, the report turns to some of the lessons that have been learnt in 2007, with a view to improve the functioning and operation of Jipsa in this remaining period of its lifespan.



## 1.1 The rationale for the Joint Initiative on Priority Skills Acquisition

Prior to 1994, the South African economy represented one of the most appalling examples with regard to the interaction between the institutions of human capital and their final users. The education and training environment was passive and lacked dynamism. Many institutions were very weak and employers lacked any interest in developing their employees. Universities operated within a vacuum, often offering programmes that bore little relation to the needs of a developing economy. There was no stratum of efficiently functioning FET institutions, and there were immense difficulties in the basic education system.

In the years since the democratic election, significant efforts have been made to restructure institutional support for skills development, including the introduction of the Setas and an increased focus on technical training. However, the lack of interface between the users and suppliers of human capital still meant that these institutions have not been effective in developing the skills required by the economy.

Measured against this benchmark, Jipsa has demonstrated that for the first time in many decades an interaction between the users and suppliers of education is both desirable and possible. Behind this lies the very *raison d'être* of Jipsa, namely that it is a programme designed to deal with a very particular economic problem – the supply of skills in relation to the economy and the labour market and the concomitant role of education and training.

Jipsa was thus established in March 2006 with the following mandate:

- lead the implementation of a joint initiative of government, business and organised labour to accelerate the provision of priority skills to meet the AsgiSA objectives
- give momentum and support to the implementation of AsgiSA
- prioritise key skills and develop appropriate human resource development strategies to address these in the short to medium term
- mobilise senior leadership in business, government, organised labour and institutions concerned with education and training and science and technology to address national priorities in a more co-ordinated and targeted way
- promote greater relevance and responsiveness in the education and training system and strengthen the employability of graduates
- lay the foundations for more co-ordinated and effective human resources development strategies
- report to the AsgiSA Task Team and Cabinet on progress made towards agreed objectives
- identify blockages and obstacles within the system of education and training that stand in the way of the achievement of Jipsa's objectives
- lead an effective programme to communicate Jipsa's objectives and consult with stakeholders.



## 1.2 The Joint Initiative on Priority Skills Acquisition approach

The Jipsa approach is anchored around the view that the state of the education system and skills development are binding constraints on economic growth and development. In particular, the state of this system potentially threatens the achievement of the various targets set out in the Asgisa national plan. Furthermore, the issue of skills shortages is very much a cross-departmental matter, involving a range of government departments and affecting institutions both in the public and private sectors.

Jipsa is not linked to a specific line department, making it possible to facilitate interaction and engagement across different players within the education and training environment. Being housed within the Office of the Deputy President, Jipsa operates in a policy and institutional space, which is simultaneously separate from, but also part of government. It draws its strength from The Presidency and the Office of the Deputy President. This status supports Jipsa in its efforts to engage across a range of different government departments. The co-ordination role that Jipsa plays is thus made possible because it is a creation of The Presidency and, in addition, because it is not managed or overseen by any one government department.

Off this base, Jipsa has attempted to translate the aggregate skills shortage in South Africa into a short-term operational plan, focused on a defined set of skills priorities. Its approach has been to generate the information required to define the skills shortages more closely, create the environment in which government departments can fast-track some of their own skills development plans and work more closely together, and to engage more effectively with the private sector and organised labour to increase the supply of priority skills.

Based on this particular analysis of the skills crisis, and its governance structure, the Jipsa “model” rests on four simple propositions:

- it is constructed as a joint initiative of the social partners
- its focus is on a limited number of “priority skills”
- it is based upon the voluntary “self-binding” of autonomous “project owners” (line departments in government or players in the private sector or organised labour)
- its approach is practical and problem-solving.





### 1.3 The priority skills strategy

The Jipsa three-point strategy rests on the assumption that skills acquisition is not merely a numbers challenge, but a systems challenge. It involves broadening the training pipeline, retaining people in skilled employment and training them more effectively and to higher quality standards. Along with the setting of targets (e.g. the output of trained artisans or engineers), it is equally important to address the system blockages and inefficiencies and problems of quality that impede the acquisition of relevant, high-quality skills to sustain growth over the medium to longer terms.

In 2006, the Joint Task Team adopted a three-point strategy for the acquisition of priority skills and this continues to govern Jipsa's focus and activities:

- 1 Five high-profile priority skills areas were identified for immediate attention:
  - a high-level, world-class engineering and planning skills for the “network industries” - transport, communications, water, energy
  - b city, urban and regional planning and engineering skills
  - c artisan and technical skills, with priority attention to infrastructure development, housing and energy, and in other areas identified as being in strong demand in the labour market
  - d management and planning skills in education and health
  - e Mathematics, Science and Language Competence in public schooling.
- 2 Key “project owners” and role-players were engaged regarding the skills required to underpin AsgiSA projects and increase labour absorption. This led to concrete proposals for priority skills initiatives in the fields of tourism, ICT, BPO and biofuels. During the reporting period, Jipsa focused on engaging the project owners in the tourism, ICT and BPO sectors.
- 3 Constraints and inefficiencies in the current frameworks and institutional arrangements for skills delivery were tackled. These include:
  - a the problem of unemployed graduates
  - b strengthening the labour market and skills information system
  - c the National Qualifications Framework Review and quality assurance mechanisms
  - d artisan training capacity.

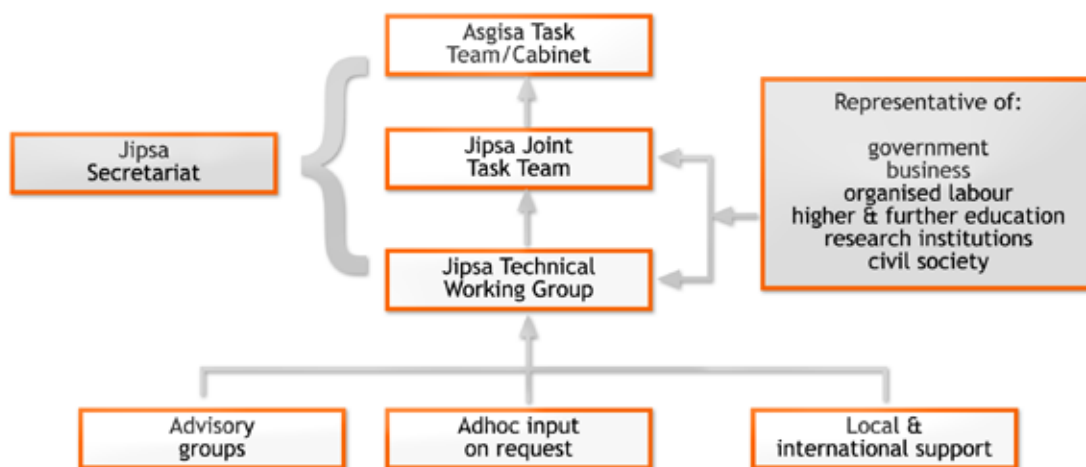
Jipsa's focus on this limited number of priority skills is viewed as key to the objectives of AsgiSA and wider economic growth and development. Jipsa continues to focus on these priority areas because the achievement of targets and resolution of blockages require ongoing, intensive engagement to gain results e.g. the training of artisans is starting to yield results, but is not yet fully resolved. Jipsa's mandate is not to deal with weaknesses in the whole skills development system, but to engage with systemic issues to unblock obstacles in respect of the priority skills identified. This required continued attention in the second year.



This operational focus of Jipsa has been a characteristic of the programme, but has not always been adequately grasped within the public domain. The focus on specific priority skills has two important consequences: firstly, while skills are scarce in areas outside those identified above, their challenges do not belong to Jipsa's agenda. This is a crucial point to grasp, namely that Jipsa has deliberately focused on a list of priority skills to avoid the danger of attempting to stretch its human and physical resources too thinly. Secondly, the attention given to priority skills means that the work of Jipsa is short-term in nature, seeking to yield results within two to three years. Over the longer term, more structural and systemic problems (for example within the schooling system) no doubt fuel the economy's skills crisis, but they continue to remain outside of the domain of Jipsa because they are the core work of government. We turn to this tension between short- and long-run challenges within the skills domain in greater detail below.

### 1.4 The Joint Initiative on Priority Skills Acquisition structure

The Jipsa structure is presented below. Section Five outlines the membership of the Joint Task Team.



## 2 Joint Initiative on Priority Skills Acquisition work in progress

This section reports on progress made on the Jipsa strategy in respect of the high-priority skills identified when the initiative was established in 2006. The targets and required action going forward is also summarised in Appendix One.

### 2.1 Engineering

Jipsa's Terms of Reference refer to "high-level planning and engineering skills for the network industries" (energy, transport, water and communications) as one of the five priority skills areas that Jipsa is to address.

The distinction between "engineers" and "high-level planning and engineering skills for the network industries" is made on the basis that there is a difference between the routine-applied skills required by engineers in general and the high-level, analytical and systems-thinking competencies required in the network industries. Below, we report on both categories.



#### 2.1.1 Intermediate engineering skills

In the last reporting period, Jipsa proposed the following three strategies to increase the number of practising engineers in South Africa:

- increasing the number of practising engineering graduates
- ensuring that a higher number of engineering graduates register as practising engineers
- retaining engineers, re-employing retired engineers and removing the blockages to importing experienced engineers.


To this end, the following has been achieved:

- The Department of Education's enrolment planning forecasts that total engineering graduations will rise by 500 a year to approximately 2 000 a year by 2010.
- In 2007, the Department of Education committed R439 million over the period 2007 to 2009, largely towards improved teaching and learning infrastructure for engineering. This is in addition to an amount of R48 million provided in 2006 to improve university engineering pass and graduation rates.
- The Engineering Council of South Africa (ECSA) is strengthening the candidacy phase and registration of engineers.
- The Department of Home Affairs has published a revised scarce skills list, and is actively promoting this abroad, in collaboration with the Department of Foreign Affairs. The list includes the following categories of engineers: chemical, materials, civil, structural, aeronautical, aircraft maintenance, avionics, electrical, electronic, industrial, mechanical, mining, quality engineers and engineers for specialist pipe engineering and manufacturing.
- The Department of Home Affairs has set up an information desk to assist with the importation of skills and has also published a pamphlet to provide details of the quota permit.



While this represents some progress, there remains a need for Jipsa to continue to focus its attention on this priority area. Further engagements with the Department of Education and Higher Education South Africa (HESA) are planned around the throughput of engineers from universities, with ECSA around the mechanisms for strengthening the candidacy phase and the process for registering engineers, and with the Department of Home Affairs to ensure that processes and procedures are aligned to fast-track the importation of engineers.

### 2.1.2 High-level engineering and planning skills for the network industries




The central premise behind the decision to prioritise high-level planning and engineering skills for the network industries is that achieving AsgiSA's growth target of 6% per year will have major implications for the long-term development of South Africa's infrastructure, particularly energy, transport, water and communications. Put simply, South Africa urgently needs to design and build the networks and infrastructure that will enable and sustain economic growth and development over the longer term.

Anticipating and meeting South Africa's long-term energy, transport, water and communications network demands requires sophisticated forecasting and planning techniques. Advanced capacity is required to ensure the selection of appropriate technologies, and the necessary knowledge and skills must be present within key government departments and regulatory authorities to assess and approve plans and proposals timeously and competently. These functions need to be underpinned by advanced research and consultancy capacity as well as by the training of high-level personnel, all the way up to doctoral and post-doctoral levels.

These skills requirements are distributed across state-owned enterprises (SoEs) and private-sector suppliers, regulatory authorities, government departments, consulting firms and research agencies. Universities have a key role to play in research and consultancy, as well as in training the high-level personnel required to design, build and maintain South Africa's key infrastructure over the next 20 years and beyond.

The following question then arises for Jipsa: does South Africa have the integrated systems and the high-level knowledge, skills and capacity to develop and maintain the network industries required to sustain long-term growth and development?

To test this analysis empirically, a case study of the energy sector has been commissioned. The findings of the study will be used to inform further Jipsa interventions in this important area.



## 2.2 City, urban and regional planning skills

The nature of the town-planning function has changed significantly in recent years. Municipalities are much larger today than they were prior to 1994 and planning at municipal level therefore encompasses the concepts of both town and regional planning. It involves not only the design and regulatory aspects of planning traditionally associated with town planning (zoning and town-planning schemes), but also includes a broader perspective, incorporating long-term strategic planning for the municipality and integrated development planning generally associated with regional development planning. The approach to planning has therefore shifted to a developmental and participatory approach. This has resulted in planners needing a range of skills that include: urban and regional skills and traditional planning skills plus strategic planning skills within a developmental framework.

Research commissioned by Jipsa highlights the following key issues:

- There is a lack of understanding of what a planner is, what planners are expected to do and what constitutes a fully functional planning unit in municipalities.
- There are a number of non-planners performing planning functions, especially at municipal level. There are also qualified planners who are not in planning positions.
- There appears to be a mismatch between the organisational structure of municipalities, the function to be performed and the number of planning posts allocated.

To strengthen the planning function in the country, the following recommendations have been made:

- Fast-tracking the definition of planning competencies. Defining unit standards for the planning profession in terms of the South African National Qualifications Framework (NQF) will require extensive consultation with other related professions as well as with the various stakeholders within the planning sector. This is presently the responsibility of the South African Qualifications Authority (SAQA), through the Planning Standards Generating Body (SGB), but over the next two years it will move across to the domain of one of the quality councils for the subframeworks of the NQF, possibly the Quality Council for Trades and Occupations as contemplated in the Skills Development Amendment Bill, 2008 and the NQF Bill, 2008. The SGB has been appointed, but in the absence of funding or other support from SAQA, it has made little progress so far.
- Strengthening the South African Council for Planners (SACPlan).
- Promoting the registration of planners. The role of SACPlan as a registering body is vital. Large numbers of planners are currently unregistered. Some of these are people with planning qualifications and others are people without specific planning qualifications but who are operating as planners.
- Establishing a bursary fund for planning students. The planning profession currently struggles to attract high-calibre students. Ensuring a steady flow of financial support to such students will enhance planning's competitiveness vis-à-vis other professions, which are currently seen as more attractive.

## 2.3 Artisanal and technical skills

### 2.3.1 Artisans

The shortage of skilled and experienced artisans in the country has been identified by Jipsa as a critical constraint to economic growth. Through rigorous research and consultation, Jipsa was able to quantify the shortage of artisans in the country as well as identify critical blockages within the system that impacted negatively on artisan development and training. To this end, Jipsa has worked closely with the departments of labour and education over the past year, as well as with stakeholders such as organised business, organised labour and the provider community, to fast-track the acquisition of artisans in the country.

The following milestones have been achieved:

- The Skills Development Amendment Bill, 2008, which will strengthen artisan development policy, has been drafted and published for public comment on 28 February 2008. The Bill will repeal the last sections of the Manpower Training Act, 1981. It consolidates artisan development through four very specific artisan training routes, namely learnerships, apprenticeships, recognition of prior learning and the National Certificate (Vocational) plus an internship or skills programme. The latter route integrates the efforts of the Department of Education's FET colleges sector with workplace training, which falls under the Department of Labour.
- The four artisan training routes noted above have been agreed to by all stakeholders and were gazetted on 14 December 2007 for public comment.
- The quality-assurance role of the Institute for the National Development of Learnerships Employment, Skills and Labour Assessment (Indlela) has been agreed upon and it is now positioned as a national artisan moderation body within the Skills Development Amendment Bill, 2008.
- The 2007 to 2008 service level agreements (SLAs) signed between the various Setas and the Department of Labour reflect a total of 18 879 artisans to be registered. Furthermore, provisional Seta SLAs indicate that an additional 20 000 learners will be registered for the period 2008 to 2009.
- The National Skills Fund (NSF) allocated an additional R300 million for the training of a further 7 350 artisans.
- The safety and security sector has started a pilot project that will determine the capacity of the defence, police and correctional services to train and assess artisans.
- The New National Certificate (Vocational) was implemented in FET colleges from January 2007 to support artisan-related learning.
- The scarce skills quota list published by the Department Home Affairs includes scarce artisan trades to allow immigrants to enter the country to source work as artisans. Trades included on the list are: sheet metal trade workers, structural steel and welding trade workers, boilermakers, metal fitters and machinists, fitters and turners, precision metal trade workers and toolmakers, millwrights and electricians.



- Employers and the National Business Initiative (NBI) have launched the Technical Business Skills Partnership, which aims to increase artisan training in the country. Companies are being asked to train above their own needs and are encouraged to provide training opportunities, work placements, mentorship and bursaries for artisan training.

### 2.3.2 Technicians and technologists

What is the difference between a “technician” and a “technologist”? These terms are used in various ways in the workplace and Jipsa has recognised that there is no shared understanding of the definition and role of technicians and technologists.

While there is agreement that there is a scarcity of individuals with these occupations, the nature of the required learning and career pathways is still undefined. According to industry players, this impacts adversely on the uptake of technicians and technologists as well as on their productive utilisation in the workplace. It also places pressure on engineers, who are required to do work that could otherwise be delegated to technologists and technicians.

Jipsa has therefore developed a problem statement that focuses on understanding the nature of the supply and demand for technicians and technologists, and lays the basis for a research and consultative process. This has enabled Jipsa to develop a map of the learning pathways for technicians and technologists.

Through research and consultation, Jipsa is now exploring:

- the scale of demand for technicians and technologists
- the effective use of technicians’ and technologists’ skills in the workplace
- ways to increase supply by improving throughput
- the qualifications required for these occupations and their relationship to the registration process
- learning and career pathways for technicians and technologists and how this is likely to impact on their mobility.

## 2.4 Management and planning skills

### 2.4.1 Health management and planning

Jipsa has had a number of discussions with leading experts in the health field, as well as with the private healthcare sector and senior officials in the Department of Health.<sup>1</sup> The Department of Health made available its National Human Resource Development Strategy (NHRDS) for the health sector and the Development Bank of Southern Africa (DBSA) facilitated a broad stakeholder engagement on behalf of Jipsa in November 2006. A report on management capacity within public hospitals, undertaken by the National Labour and Economic

<sup>1</sup> Department of Health, 2006: A National Human Resources for Health Planning Framework



Development Institute (Naledi) on behalf of the Department of Public Service and Administration, has also been examined.<sup>2</sup>

The Naledi report on public hospitals contains a concise analysis of the management challenges within the sector, and is broadly accepted as an informed and credible report by the informants that Jipsa has spoken to. In essence, the report argues that management systems within the public health system are disempowering and ineffectual, and that in many cases, management skills and capacity are lacking.

There appears to be a view among many informants that the management and staffing challenges facing the sector cannot be effectively resolved without also addressing the allocation of funds.

In the course of this engagement, critical skill constraints in other areas have been brought to Jipsa's attention by informants, even though this was not part of Jipsa's original remit. Areas of concern include the training pipeline for doctors and specialists, and the funding mechanisms for faculties of medicine and teaching hospitals. The shortage of nurses has also been highlighted, and opportunities for closer co-operation and partnerships between the public and private healthcare systems have been identified.

## 2.4.2 Education management and planning

The Department of Education has requested that Jipsa should share information and advice as the department proceeds with the revised NHRDS. Accordingly, Jipsa has accorded the relevant officials places on its Secretariat, Technical Working Group and on the Reference Group overseeing the Jipsa Review. Having representation from the Department of Education on these forums will ensure that lessons learnt through the Jipsa experience are incorporated into the revised NHRDS and inform its co-ordinating and catalytic roles, convening powers and its facilitation of dialogue.

Jipsa has worked closely with the national Department of Education's planning unit to identify and appoint, external to Jipsa, critical readers who will be responsible for advising, commenting on and providing feedback on the three identified studies commissioned by the NHRDS task team to revise the NHRDS for the country. Jipsa has also negotiated the services of a suitable consultant to provide assistance to the Department of Education in its task of revising the NHRDS.

## 2.5 Mathematics, Science and Language Competence in public schooling

The Department of Education has identified measures to improve Mathematics, Science and Language Competence in public schools. The Dinaledi Schools initiative provides the opportunity for a targeted and focused response to this challenge. The number of standard grade Mathematics high school graduates with pass rates of C or higher has grown dramatically in recent years. However, the quality and number of matriculants

<sup>2</sup> Naledi, December 2005: An Investigation into the Management of Public Hospitals in South Africa:

Stressed Institutions, Disempowered Management. Commissioned by the Department of Public Service and Administration



studying Mathematics at Higher Grade level has not grown significantly. A number of professions such as engineering, medicine, accountancy and the sciences in general are drawing on this small pool to attract students into these fields. It is therefore of paramount importance that measures to increase the pool and quality of Mathematics, Science and Language Competence matriculants in public schools are strengthened further.

Going forward, the Jipsa Secretariat will need to further engage the Department of Education on:

- additional support measures that can increase the pool and quality of Mathematics and Science matriculants or a broadened application of existing interventions
- what steps can and are being taken to upgrade the skills of existing Mathematics and Science teachers, and to train and import additional teachers to meet current and future requirements
- ensuring that adequate bridging measures are in place for learners to move from secondary education into higher education (HE) institutions or the labour market.

## 2.6 Projects to support Accelerated and Shared Growth Initiative for South Africa objectives

### 2.6.1 Business process outsourcing

The Business Trust, in partnership with the Department of Trade and Industry, has put in place a talent-development project for the BPO sector. Each year, for the next five years, the project is designed to train 6 000 entry-level contact centre agents to develop an internationally comparable talent pool.

The project is part of the BPO Sector Support Programme, and is funded by the Department of Trade and Industry through the Department of Labour's National Skills Fund (NSF) and the Business Trust. Within this project, the Monyetla Work Readiness Inception Programme for BPO is a pilot initiative that is training 1 000 previously unemployed young people as entry-level contact centre agents.

Eighteen consortia of recruiters, employers and training-providers are implementing the Inception Programme, which is intended to inform and shape a larger investment in the sector's entry-level talent pool. Consortia are undertaking training in Gauteng, KwaZulu-Natal, Western Cape and Eastern Cape.

Some 840 learners have already begun the programme, and the first groups of learners were expected to complete their training in March 2008. By July 2008, the first 1 000 learners will have completed the course.

The programme consists of a 16-week course, incorporating theory, practice and on-the-job training, leading to 60 credits at Level Two on the NQF. The UYF has made a grant to enable a further 250 unemployed young people to join the Monyetla Programme, and the learners will commence training in May 2008.

An evaluation of the scope, scale and impact of both publicly- and privately-funded BPO training will be conducted by June 2008. This study will provide a situational analysis of current talent-development initiatives to ensure synergy and identify gaps in provision.

Jipsa's role in this priority area is to track and monitor progress and provide support where necessary.

### 2.6.2 Tourism

One of the most important challenges facing the tourism sector is that of improving effective collaboration to meet the shared goals of growth, inclusivity and improved service delivery.

This issue has been consistently raised in a series of studies in recent years, and has been confirmed more recently by the *Tourism Skills Audit Report* (June 2007), which was jointly commissioned by the Department of Environmental Affairs and Tourism and the Tourism, Hospitality and Sport Education and Training Authority (Theta). Key findings from the report include:

- Improve collaboration in the sector. Intergovernmental collaboration must be improved between the Department of Environmental Affairs and Tourism, Theta, SAQA, the departments of education and of labour, national and provincial structures, organised labour, the Council for Higher Education, Umalusi, the Human Sciences Research Council, Statistics South Africa and all other critical government role-players in the tourism sector. A mechanism for ongoing discussion and consolidation within government is required.
- Develop a customer service programme. The evidence suggests that there is a lack of a service ethos throughout the tourism industry in South Africa, and this results in a less than positive attitude to tourists and their needs. Serious attention to this particular issue is required and it is recommended that the essential skills for good customer relations and service should be introduced as part of every tourism training qualification. Such skills include an ability to listen actively, to empathise, to work well as part of a team and to be competent in problem solving.
- Train managers. There is a dire lack of management skills throughout the tourism sector, and managers must be upskilled to manage their staff and operations effectively. Improved management is likely to lead to the improvement of the service culture in the tourism sector.
- Transform the sector. More black people are required in management positions across the sector.
- Establish work experience programmes for young people. Companies look for entry level staff who are work ready. It is thus necessary to establish programmes that enable learners to acquire work experience during the learning cycle.
- Develop specific programmes for small, medium and micro enterprises (SMMEs). Skills development in the SMME sector requires a segmented approach that recognises the varying needs, strengths and opportunities of SMMEs.

- Review the state of training in the sector. The scope and range of training programmes in the tourism sector are limited. More information is required on skill demands, and there needs to be a stronger commitment to curriculum development and training to broaden the range of skills required in the sector. It is particularly important to develop curricula that span a wider range of sector and subsector demands.
- Develop a Theta turn-around strategy. Given the audit findings, there is little doubt that the operational mode of the Theta must be revisited and the resources currently allocated to skills development reassessed in the light of the challenges identified.

To improve skills levels in the sector, the Department of Environmental Affairs and Tourism has appointed a service-provider to develop a HRDS for the sector. This strategy will identify the roles and responsibilities of the various stakeholders in driving skills development and will recommend appropriate institutional mechanisms to drive the implementation of the proposed changes. The department has further requested that Jipsa plays an active role in critically evaluating the HRDS, and providing comments and input on its development.

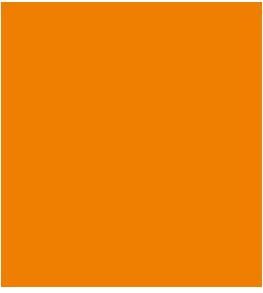
Furthermore, the Department of Environmental Affairs and Tourism, in partnership with Theta and SA Tourism, has initiated four programmes that aim to address the recommendations made in the skills audit report. These include:

- Round-table discussions on the Theta sector-skills plan with the captains of industry, employers, learning institutions and private training-providers. The purpose of this initiative is to sensitise stakeholders to the scarce and critical skills required in the sector, and to ensure that learning programmes are designed to produce these skills.
- An undertaking by Theta to design additional learning programmes that will address the need for scarce and critical skills highlighted by the skills audit.
- The hosting of an annual tourism career fair, which aims to showcase to young people the wide variety of careers available in the tourism sector.
- A Tourism Ambassadors' Programme that targets unemployed youth and is linked to the hosting of major events such as the 2010 FIFA Soccer World Cup™.


### 2.6.3 Information and communications technologies

ICTs play a major role in promoting employment and socio-economic growth. In the period under review, Jipsa gave considerable attention to identifying priority ICT skills and examining the constraints to their acquisition.

In May 2007, Jipsa convened an interim working group to conduct a situational analysis of the ICT sector to determine what ICT initiatives are in place. It defined the nature and extent of skills challenges, identified human resource development priorities, formulated appropriate responses to the skills challenges and outlined the role that Jipsa could play to address these challenges.



The working group produced the *Report on the Development of ICT Skills in South Africa*. The report recommended the establishment of a joint ICT Council, comprising representatives from government, business and civil society. It was envisaged that the council would play an oversight role in co-ordinating ICT initiatives and determining appropriate training programmes.



With the establishment of the e-Skills Institute by the Department of Communications as a co-ordination hub for ICT skills development, Jipsa decided to defer its ICT responsibilities to the Department of Communications and its agencies and partners. The e-Skills Institute will focus on identifying and facilitating the provision of e-skills training for business, government (including the education and health sector) and civil society. The e-Skills Institute will work in collaboration with ICT companies in South Africa to deliver the appropriate training programmes.




#### 2.6.4 Biofuels

The biofuels sector lends itself well to linking the country's "first" and "second" economies: petroleum production is the domain of the First Economy whereas the production of biofuels has the potential to benefit small farmers and workers in rural areas. The success of this strategy does, however, depend on ensuring that agricultural extension officers have the necessary skills and capacity to provide meaningful support to small and emerging farmers.

Jipsa commissioned a discussion paper that highlights critical questions that need to be answered with regard to the production of biofuels. These questions include choices regarding technologies and types of crops, how these choices impact on skills requirements, the role and responsibility of extension officers, support mechanisms and the role of commercial farmers.

Through its engagements with the departments of agriculture, of public enterprises and of trade and industry, Jipsa has determined that South Africa faces a serious shortfall in agricultural extension officers. This has negative implications for small-scale emerging biofuels farmers in the Second Economy, since the sector lacks the extension support necessary to help these farmers develop the new industry.



At present, there are approximately 2 000 agricultural extension officers in place, representing a conservative shortfall of 5 000. Furthermore, the Department of Agriculture has confirmed that the skills of existing extension officers will need to be upgraded. To deal with this situation, the Department of Agriculture has developed and submitted the Agricultural Extension Officer Recovery Plan to National Treasury, which has committed funding support to this initiative. Going forward, Jipsa will engage the Department of Agriculture and HE institutions to ensure that an adequate skills pipeline and deployment capacity for agricultural extension officers is put in place.

## 2.7 The Work Placement Programme

The Jipsa Work Placement Programme is an intervention to fast-track deployment and improves productivity of qualified young persons with scarce skills. The programme includes the placement of unemployed graduates, both locally and internationally, and of retired professionals.

The Unemployed Graduate Programme was launched in December 2005, as one of the AsgiSA interventions to deal with the skills shortage within the economy.

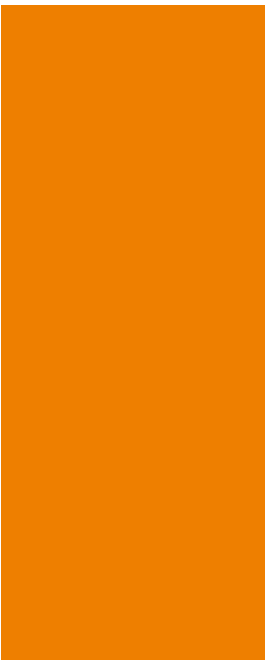
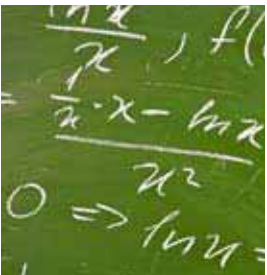
Through the programme, graduates have been able to get work experience and therefore become more attractive to employers. One of the aims of this initiative is to impact positively on families where it can break the poverty cycle decisively. The programme has focused on the placement on women and targeted the following groups:

- new graduates needing experience
- graduates who are unemployed
- young, mid-level career professionals
- undergraduate technikon students who need work experience to qualify.

Mostly, placements have been in scarce skills: finance, tourism, engineering, ICT and project management. This is in line with the demand for scarce skills. Jipsa has liaised with a range of role-players, including the UYF, South African Graduate Development Association (SAGDA) and HESA to seek ways of addressing a range of graduate placement issues. Strategies include upgrading and consolidating the UYF database of unemployed youth and graduates, placing unemployed graduates and increasing experiential learning placements for university of technology students.

The Local Placement Programme is run by private employment agencies, the Department of Labour's Employment Services System and the UYF through its JOBS Programme through which candidates source public- and private-sector opportunities. Candidates are also linked to other UYF services such as entrepreneurship, the National Youth Service programme and skills development programmes. Young people with an entrepreneurial interest are helped to develop business plans and access finance from the Enterprise Finance division.

Private employment agencies are registered with the Department of Labour under the Employment Services Regulations and cannot charge for such services. The Department of Labour registers all work seekers on the unemployment database. This includes the Unemployment Insurance Fund database and learners graduating from the various skills programmes. The database registers vacancies and provides job matching services through the 128 labour centres distributed throughout the country.



Companies have responded positively to the call, with the result that more than 20 000 offers have been received, and more than 15 000 graduates in total have been placed in South Africa and abroad. Eskom, Transnet, Microsoft, Shoprite Checkers, Old Mutual and Xstrata have all taken several hundreds each, as well as members of the American Chamber of Business. A lot of smaller companies have also participated. A few black-owned businesses have also participated. The challenge, however, remains to get more companies involved. Government has been slow in participating; however, Eastern Cape and KwaZulu-Natal have embraced the programme, placing the majority of graduates for work post placement. Eastern Cape is presently employing more than 700 trainees. Gauteng and the Western Cape have also started. Government as a whole must take leadership in this issue. Unemployed graduates could be recruited to fill in positions at junior level.

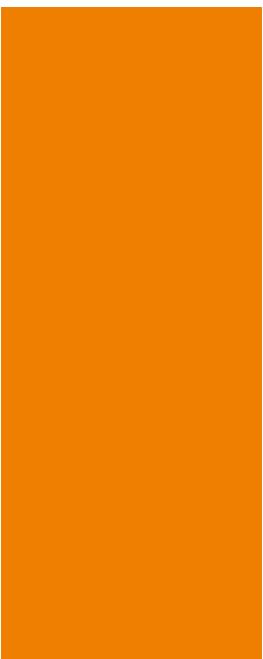
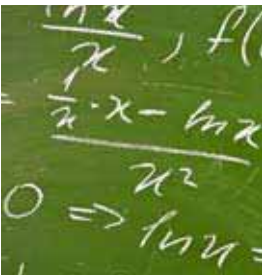
The absorption rate in the companies surveyed has been around 80%. More work, however, needs to be done by both graduates and employers to market the trainees, while still training. At the moment, there is still a time lag between programme completion and employment.

A few companies have recruited matriculants and in future will focus more on them as well as semi-skilled persons with the potential for further training, especially in the retail and construction sector. Quite a few of the participating companies already train matriculants. Old Mutual, for example has recruited 471 trainees, and Shoprite Checkers 1 000 retail technicians. Both companies are willing to double the numbers if government partners them, and both will absorb trainees. Given that these companies are not unique, one can assume that there is more opportunity for partnerships in this arena.

The Jipsa International Programme was designed jointly with the departments of foreign affairs, of public works and of trade and industry, the Independent Development Trust (IDT), SOEs, and the UYF. While the programme has placed mostly women and youth, priority is given to the most underprivileged groups. To date, more than 700 graduates and women have been placed internationally, and the role played by South African embassies and consulates needs to be commended.

Foreign missions in South Africa have embraced the programme as their response to Jipsa. Countries such as France, China, Canada, the United States of America (USA), the United Kingdom (UK), Ireland, Australia, New Zealand, Japan, India, Germany, Thailand, Taiwan, Bahrain, Qatar, the United Arab Emirates (UAE), Cuba, Brazil, Argentina, Singapore, Malaysia, Luxembourg and the Netherlands have already committed to the programme.

Multinationals and South African companies have also assisted through human and financial resource allocations or offering placement opportunities in their international offices. It is worth mentioning companies such as Tata, Areva, Sasol, Xstrata, Old Mutual, Standard Chartered, Telkom, PetroSA, Sahara, Jumeirah, Alec, Africon, Daimler Chrysler, Murray and Roberts, Ashok Leyland, Remco, Satyam Computers, Oracle, and several international hotels. Daimler Chrysler runs a programme for Southern African Development Community countries, which provides extensive training in work placement in Stuttgart.





The programme has received more offers of international placement from reputable companies. However, due to budget constraints and the costs of living in economies such as Japan, the UAE, UK and USA, some of the offers have not been implemented.

The placement of retired professionals is facilitated by the DBSA's Siyenza Manje Programme. A database of retirees has been compiled and serves as an important intervention in dealing with the skills shortage. To date, 118 professionals have been placed at 101 municipalities, of which 67 were technical and 51 financial experts. In addition, 50 young professionals have been deployed. There are already 787 curriculum vitas listed.

While notable progress is being made in the recruitment and placement of candidates both locally and internationally, these efforts are still somewhat fragmented and a better co-ordinated strategy is therefore needed. The development of a co-ordinated strategy is not an attempt to centralise the programme, but is rather intended to promote closer co-ordination of graduate placement efforts, improved sharing of information, the development of more rigorous placement processes as well as the introduction of monitoring and evaluation systems. The alignment between graduate placement efforts and wider Jipsa initiatives is an overarching goal.

In an attempt to better understand how the Graduate Placement Programme could be co-ordinated in a more efficient manner, Jipsa has commissioned a programme review. The review seeks to identify existing placement programme initiatives locally and internationally, identify the main role-players, advise on measures that might be needed to improve the placement programme and the supporting databases and processes, and make recommendations for an integrated and co-ordinated programme strategy.

## 2.8 Review of the National Learner Records Database (NLRD)

The work done by Jipsa points to the need for an integrated, high-quality database on education and skills that could facilitate the ability of policy- and decision-makers to make reliable labour-market projections.

A number of government departments and agencies already have databases which, if fully populated and co-ordinated more closely, could be reconfigured to establish a central resource that could serve as the national education and skills database.

In collaboration with SAQA, Jipsa has commissioned a review of the NLRD to explore the possibility of this becoming a national skills and education database. The review will engage a number of data-providers such as the departments of education and of labour, Umalusi and professional bodies about the scope and quality of the information provided to the SAQA. The review will also assess the functionality and technical capabilities of the database.





### 3 Reflections on social partnership collaboration for skills development

In November 2007, the Deputy President convened a bosberaad with the Jipsa Joint Task Team to reflect on progress made and the way forward. The opportunity yielded a number of important insights about how Jipsa has worked and the factors that underpin its successes. To draw on these insights more systematically and chart a way forward, a review of Jipsa has been commissioned. It will document lessons learnt, analyse the working models adopted by Jipsa, examine the processes in which it has engaged and review its strategic approach. The review is intended to inform high-level decision-making on the most appropriate model for the future achievement of the goals and objectives that have guided Jipsa's activities. A report is expected at the end of May 2008.

Below are some of the key insights cited at the bosberaad about Jipsa's functioning to date.

#### 3.1 Social partner involvement

The establishment of Jipsa as a joint initiative of the social partners was intended to bring government, business and organised labour, as well as the key education and training sectors into its functioning. Skills acquisition is an economic and labour-market issue, as well as a problem of education and training – meaning that the resolution of these issues is dependent on the social partners, as well as on government. Effective action therefore is dependent on the voluntary co-operation and alignment of a range of actors, within government and outside of it.

In line with this approach, the Jipsa Joint Task Team includes the ministers of education, of labour, of home affairs, of foreign affairs, of defence, of public service and administration, of public enterprises, of trade and industry, of science and technology and of sport and recreation. Its members also include chief executives of private-sector companies and SoEs, as well as leaders from the trade-union movement and from the HE and FET sectors.

Apart from an ability to move across government departments, Jipsa's lean and fairly loose structure has enabled it to engage with a wide range of other stakeholders. For example, on the issue of artisan and engineering shortages, Jipsa has engaged concurrently with employer-led initiatives, the relevant Setas, policy researchers, industry experts, the deans of engineering at HE institutions, HESA and the departments of education and of labour.

At the heart of the Jipsa approach lies consistent engagement with stakeholders over a lengthy period of time. Leveraging returns over the short to medium term has shaped its effectiveness and impact. Jipsa's location in The Presidency has been central to its ability to co-ordinate activities across both the public and private sectors.



The Joint Task Team noted that during its first 18-month phase, Jipsa had brought about a shared ownership of the skills challenge, and that continued progress depends on constant co-operation among the different actors within each of the priority skills areas. In this regard, The Presidency has played a critical role in providing leadership and strengthening the interface with line departments.

The roles of the departments of education and of labour are key in priority skills acquisition, but there is a strong desire for the Department of Education, in particular, to play a more central role in the second phase of Jipsa's work. Experience has also shown that while business, organised labour and the education and training sectors are participating in the Jipsa processes, more assistance, co-operation and advice are required from all these different parties.

Simply put, in order for the country to realise gains within a complex arena such as priority skills acquisition, which by its very nature involves a range of educational institutions, lobby groups, professional associations and government departments, co-operation between these different actors is a necessary condition for success.


Furthermore, taking Jipsa's work to a new level will depend on a more robust engagement between the owners and users of education and training, in order to plan the future trajectory of skills needs in the economy. The "buyers" of education and training ultimately need to be more clear about what they want, and must engage the "suppliers" of education and training (schools, FET colleges, universities and Setas) to provide this quality.

### 3.2 Project owners and autonomy


The principle of autonomous "project owners" voluntarily binding themselves to Jipsa's decisions is a unique concept, but has also produced challenges of co-ordination and alignment. Jipsa operates in a complex terrain. It interfaces with largely autonomous and powerful actors that include government departments, professional associations, statutory bodies (such as the National Skills Authority [NSA]), employers and education and training institutions, all of which have constitutional, legal and other rights and responsibilities.

Jipsa needs to mobilise all role-players and project owners to put in place the priority skills that have been identified. Jipsa's role is not to duplicate the work of these entities, but recognising their distinctive roles and responsibilities, to mobilise all role-players and project owners to secure the priority skills that have been identified. The distinctive role that Jipsa seeks to play lies in providing an effective interface between project owners, and in co-ordinating efforts to achieve shared national objectives. In short, Jipsa depends on voluntary "self-binding" commitments by independent "project owners" and co-operation between them.


Jipsa's ability to implement projects and deliver the agreed outcomes is thus dependent on whether the



relevant lead agent is willing and able to engage efficiently and co-operatively with the JIPSA collective and with other complementary institutions. Indeed, it has been made clear over the last year that in a number of instances, the leadership and common vision articulated through Jipsa has proved persuasive among the autonomous project owners. It has secured their voluntary involvement, focusing energy and resources in the process.



The work of Jipsa also seems to have created the start of a paradigm shift around skills development, enabling various players to see it in a new light. Evidence for this lies in the creation of a new perspective on human capital development, and the growing recognition among business leaders that human capital development is intrinsic to business success.




A tangible display of a paradigm shift is evident in the Commitment on Skills Charter, released by Business Leadership South Africa (BLSA) in November 2007. The charter, which will be taken to BLSA's 70 member companies for formal adoption, involves action in five areas:



- Chief executive officers (CEOs) will ensure that they have a clear understanding of the skills base needed to ensure the sustainability and growth of their businesses. This requires concrete knowledge of both the number and quality of skilled people needed to achieve the business plan. It also requires action to ensure that employees are able to both consolidate and upgrade their knowledge and skills.
- CEOs will ensure that an adequate pipeline of skills development is in place, also to mediate the impact of attrition on training levels.
- Within the resources of individual companies, CEOs will seek to make company skills development resources available to those not currently in employment.
- Together with other companies, wherever possible, companies will seek to strengthen their relationships with the institutions of public learning: universities, FET colleges, Setas and the schooling system.
- Finally, wherever possible, CEOs will seek to promote co-operation between companies, as both economies of scale and centres of excellence can be best achieved where companies train together. (BLSA press release, 29 November 2007).

This charter represents a step-change in both the involvement and approach of the private sector, and their efforts to upscale human resource development. It suggests that a quantum leap in the nature and level of engagement from the business community with the skills development arena is possible, as it is from other social partners.

### 3.3 The problem-solving approach




The practical and problem-solving approach of Jipsa involves identifying and quantifying skills needs, the constraints on skills acquisition and the relevant project owners and role-players, securing their buy-in and support, and co-ordinating and supporting their collective efforts to address priority skills requirements.



In the past 18 months, this approach has led to tangible progress in addressing numerous obstacles to skills development, for example the training system for artisans. Jipsa's experience is that the more "technical" and less "political" the work becomes, the more buy-in there is from key actors, and the more progress is achieved. In many cases, however, practical experience, research and analysis point to challenges that lie in the domain of policy, legislation and systems. In the case of artisans, for example, Jipsa's involvement was significant in bringing about the policy and systems alignment to enable South Africa to reach its targets.

In seeking practical solutions to problems, it has not been Jipsa's role to engage in policy or systems change. However, experience has shown that some of the practical constraints on skills acquisition do in fact lie in the policy or legislative domains, or in systems challenges, and where this is the case, these have been flagged by Jipsa.

The tension between the short-term nature of the Jipsa approach and the long-term nature of many of the economy's skills challenges will probably never be resolved. Perhaps the most acceptable outcome would be to ensure the most optimal trade-off between these two potentially competing needs, and for Jipsa to take both short-term priorities and longer-term policy and system perspectives into account in the course of its interventions and activities.



## 4 The way forward

In seeking to achieve the Jipsa objectives, all social partners need to play a stronger leadership role in Jipsa. Project owners need to be more active in working to achieve significant outcomes, particularly when the resolution of specific skills needs is located with multiple players. With this energy and commitment, Jipsa has the potential to become a truly organic distribution mechanism in which all actors take responsibility and ownership for its direction and impact. Already, signs of this are evident in the initiatives being taken by the Department of Labour and BLSA. In its immediate future, Jipsa thus needs to strive to become an energised, living structure that is able to operate at centre stage, engaging the suppliers of the economy with the suppliers of education and training.

In the second phase of its operation, the preference is for Jipsa to retain its facilitating and catalytic roles, supported by strong political leadership from all the social partners in and outside of the skills development system. The activities and interventions of Jipsa will continue to be shaped by how it engages with its partners, its ability to refocus certain aspects of its project-based activities and its ability to find new solutions to old problems.

In attempting to facilitate more efficient skills delivery for the economy, there is also a strongly held view within the Jipsa structures that more research and evaluation are required to actively guide Jipsa's deliberations through high-quality information and the monitoring of impact.

Beyond the pursuance of the priority areas, it is strongly hoped that the experience gained, human capital built and lessons learnt through the Jipsa process will not be lost. Skills development in the future will require careful attention to the challenges of co-ordination, self-binding and voluntary co-operation and the role of leadership.



## 5 The Joint Initiative on Priority Skills Acquisition partners

### 5.1 The Joint Task Team

The Joint Task Team is headed by the Deputy President. Its members comprise government ministers and senior leaders from business and labour. Its members were hand-picked based on the influence that their respective institutions have and their individual passion for addressing skills challenges.

Table 1: Members of the Joint Task Team

Name	Institution
Deputy President Phumzile Mlambo-Ngcuka	The Presidency
Minister Naledi Pandor	Department of Education
Minister Membathisi Mdladlana	Department of Labour
Minister Makhenkesi Stofile	Sport and Recreation South Africa
Minister Alec Erwin	Department of Public Enterprises
Minister Mosebudi Mangena	Department of Science and Technology
Minister Mandisi Mphahlwa	Department of Trade and Industry
Minister Mosiuoa Lekota	Department of Defence
Minister Nosiviwe Mapisa-Nqakula	Department of Home Affairs
Minister Geraldine Fraser-Moleketi	Department of Public Affairs and Administration
Mr Bobby Godsell	Anglogold Ashanti
Dr Vincent Maphai	BHP Billiton
Mr Jacko Maree	Standard Bank
Mr Pat Davies	Sasol
Mr Mike Wylie	WBHO Construction
Ms Maria Ramos	Transnet
Mr Jacob Maroga	Eskom
Dr Theuns Eloff	HESA (Higher Education South Africa)
Mr Jamangile Mbana	SA College Principals' Organisation
Dr Sibusiso Sibisi	Council of Scientific and Industrial Research
Mr Dennis George	Federation of Unions of South Africa
Mr Malose Kekana	UYF (Umsobomvu Youth Fund)
Ms Gail Klintworth	Unilever
Mr Zwelinzima Vavi	Congress of South African Trade Unions
Mr Floyd Shivambu	Student representative
Prof. Vuyiswa Mazwi-Tanga	Cape Peninsula University of Technology
Mr Gwede Mantashe	Chairperson: Technical Working Group

## 6.2 The Secretariat

The National Business Initiative (NBI) provides Jipsa with a small, full-time secretariat. The NBI is a non-profit, business-based organisation whose role is to enhance the business' contribution to a thriving society. The work of the Secretariat is funded by the private sector through the Business Trust.

The Jipsa Secretariat assists the Joint Task Team and the Technical Working Group with the development of the priority skills plan, budget and implementation strategy. The Secretariat also provides ongoing administrative and project-management support to Jipsa; provides policy analysis, research and research management capacity; prepares reports and documents as required; and assists Jipsa with monitoring and reporting.

### Contact

To comment or obtain further information, contact the JIPSA Secretariat,  
**NBI**, tel 011 544 6000, fax 011 484 2765 or  
**e-mail** [Morojele.makano@nbi.org.za](mailto:Morojele.makano@nbi.org.za).  
 You can also visit [www.info.gov.za/asgisa/](http://www.info.gov.za/asgisa/).

NBI, PO Box 294, Auckland Park, 2006, South Africa.

This report has been compiled on the basis of documentation provided by the Jipsa Secretariat and input from the Deputy President's office.

### List of acronyms

BLSA	Business Leadership South Africa
BPO	Business Process Outsourcing
FET	Further Education and Training
HESA	Higher Education South Africa
Naledi	National Labour and Economic Development Institute
SAGDA	South African Graduate Development Association
UYF	Umsobomvu Youth Fund





## Appendix

### Joint Initiative on Priority Skills Acquisition: Progress and challenges

Priority areas	Milestones achieved	Action required
<p><b>Artisans</b> Train 50 000 artisans by 2010.</p>	<p>Draft Skills Development Amendment Bill, 2008 drafted to strengthen policy for artisan development and repeal balance on Manpower Training Act, 1981.</p> <p>Four artisan training routes agreed to by all stakeholders. Gazetted on 14 December 2007 for 60-day public-comment period.</p> <p>List of priority artisan trades reviewed and confirmed with Setas.</p> <p>Quality-assurance role of Indlela agreed on and strategy aligned to Skills Development Bill, 2008 and approved for implementation.</p> <p>Seta funding and training SLA targets revised to register ± 18 000 artisans in 2007/08 and ± 20 000 artisans in 2008/09 financial years. 9 000 artisans registered by Setas in nine months for 2007/08.</p> <p>Seta applications received for additional 9 000 artisans for training through a R315-million grant from the NSF.</p> <p>Pilot project established with safety and security sector to determine provisioning capacity for training and assessing of artisans within Defence, Police and Correctional Services.</p> <p>New National Certificate (Vocational) being implemented in FET colleges for artisan-related learning.</p> <p>Scarce skills quota list published by the Department of Home Affairs includes scarce skills artisan trades to allow immigrants to enter the country to source work as artisans.</p> <p>Technical Business Skills Partnership initiated by employers and NBI.</p>	<p>Process Draft Skills Development Amendment Bill, 2008 through consultative and Cabinet process prior to submission to Parliament for consideration.</p> <p>Evaluate all comments received, amend the <i>Gazette</i> as necessary and process the <i>Gazette</i> through the NSA and Minister of Labour for final publication. Develop detailed implementation guidelines for each of four routes, inclusive of possible recommendations on tax allowances for artisan development with Nedlac constituencies to consider the draft legislation.</p> <p>Department of Labour to pilot the development of occupationally based trade qualifications for each priority artisan trade and to be considered by Nedlac and social partners.</p> <p>Develop a detailed implementation plan for the 2009 - 2012 Medium Term Expenditure Framework periods for submission to National Treasury in mid-2008.</p> <p>Monitor and report on implementation of SLAs by each Seta with detailed tracking of learners registered by priority-listed artisan trade. Continue to develop a detailed database of all artisan learners in training to allow for more accurate planning and tracking.</p> <p>Finalise evaluation of applications and establish agreements between NSF and Setas.</p> <p>Develop and implement a strategy to correct capacity gaps for training and assessing of artisans in safety and security sector. Replicate same process across all Department of Education FET colleges and expand to SoEs through collaboration with the Department of Public Enterprises.</p> <p>Develop and implement internships and/or skills programmes to complement the National Certificate (Vocational) to allow learners to gain workplace experience that will qualify them to undergo relevant artisan trade tests.</p> <p>Quantify the shortage of artisan trainers and assessors and develop a strategy to import artisan trainers and assessors in the short term in collaboration with the departments of home affairs and of foreign affairs.</p> <p>Business through the Technical Skills Business Partnership and other similar initiatives to formulate concrete proposals for increasing artisan skills and provide opportunities for workplace experience.</p>

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<p><b>Engineers</b> 1 000 additional engineers per annum over four years, starting in 2007.</p>	<p>Department of Education's enrolment planning forecasts that total engineering graduations will rise by 500 by 2010, to about 2 000 p.a.</p> <p>The Department of Education provided R48 million in 2006 to improve pass rates and graduation rates; R439 million committed over the period 2007 to 2009, largely towards improved teaching and learning infrastructure.</p> <p>ECSA is strengthening the candidacy phase and registration of engineers.</p> <p>The Department of Home Affairs has published a revised scarce skills list, and is actively promoting this abroad, in collaboration with the Department of Foreign Affairs.</p> <p>The Department of Home Affairs has set up an information desk to assist with the importation of skills and has also published a pamphlet on the quota permit.</p>	<p>HESA to initiate discussion on the overall size and shape of HE, to meet the needs of an expanding economy over the longer term.</p> <p>Jipsa to actively engage HESA on issues relating to funding arrangements and their implications for skills development.</p> <p>ECSA to implement the candidacy phase, promote registration of engineers and expedite the registration of foreign professionals. The shortage of experienced practising engineers is pronounced, given that graduate engineers require extensive practice and experience before they are equipped to carry out certain responsibilities.</p> <p>Jipsa to expedite the importation of engineering skills, taking into account that skills transfer must occur.</p> <p>Jipsa to develop a comprehensive strategy for importing skills, taking into account initiatives such as the Homecoming Revolution Campaign and others. Specific countries should be targeted and comprehensive recruitment drives initiated, with the support of employers and relevant government departments.</p> <p>The Department of Home Affairs to ensure that robust systems exist to support the importation of skills.</p> <p>Business and HE institutions to put in place measures that address retention issues.</p> <p>Business through the Technical Skills Business Partnership to submit concrete proposals outlining strategies for increasing the pool of engineering skills.</p> <p>HESA to submit a proposal on ways in which to improve engineering throughput.</p> <p>Jipsa to engage with ECSA to explore alternative models and approaches to train engineers, taking cognizance of existing local and international best-practice models.</p>

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<p><b>Town and regional planners</b> Strengthen the town- planning function.</p>	<p>On the basis of research commissioned by Jipsa into the supply and demand for planners, Jipsa has developed a set of practical recommendations that will strengthen the planning function. These include:</p> <ul style="list-style-type: none"> <li>» promoting registration of planners</li> <li>» strengthening SACPlan</li> <li>» providing bursaries for planning students</li> <li>» expediting the definition of planning competencies.</li> </ul>	<p>The immediate issues relate to the quality of planning skills and how they are utilised, within government in particular. Further to this, all three tiers of government need to give more attention to the planning function to ensure that it is adequately resourced and that qualified professionals are employed into planning posts.</p> <p>Accordingly, the following actions are required:</p> <ul style="list-style-type: none"> <li>» The Joint Task Team needs to approve the recommended actions. The Department of Land Affairs needs to consider relocating SACPlan to the Department of Public Works where the built environment councils are currently located.</li> <li>» University planning departments need to ensure that the curriculum is aligned to meet industry demands and the new demands placed upon the planning function within government. University capacity may also need to be scaled up, in anticipation of measures by government to staff and resource state planning departments more appropriately.</li> <li>» Jipsa to facilitate a round-table discussion with the departments of land affairs and of provincial and local government, the South African Local Government Association, the Local Government Seta, national Treasury and The Presidency to determine ways in which to ensure that government planning departments are strengthened and well resourced.</li> </ul>

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<p><b>NLRD</b> Review and evaluate the potential of the NLRD to serve as a national labour-market information system.</p>	<p>Jipsa has supported a review of the NLRD to:</p> <ul style="list-style-type: none"> <li>» ascertain the information requirements of such a database for policy and decision-makers</li> <li>» evaluate the extent to which the NLRD already collects the required data</li> <li>» determine whether the database is able to serve as the national education and skills database.</li> </ul> <p>A report has been generated, which outlines the contribution that the NLRD could make to capturing and analysing supply data. This is currently being considered together with a technical analysis of the system to determine whether it is able to support the data-analysis required within these proposals.</p>	<p>Secretariat to oversee the review and present the research findings to the Joint Task Team for consideration.</p>
<p><b>Technicians and technologists</b> Ensure adequate supply of technicians and technologists in the workplace.</p>	<p>Jipsa recognised that there was not a shared understanding of the nature and role of technicians and technologists. Thus, while there was agreement that there is a scarcity of individuals in these occupations, the nature of the learning and career pathway has been undefined, which further exacerbates the pressure on engineers. Jipsa therefore facilitated agreement on a problem statement, which focused on understanding the nature of supply and demand for technicians and technologists and has laid the basis for a research and consultative process.</p> <p>Based on this process, Jipsa has developed a map of the learning pathways for technicians and technologists, and is now exploring:</p> <ul style="list-style-type: none"> <li>» the scale of demand for technicians and technologists</li> <li>» effective use of technicians' and technologists' skills in the workplace</li> <li>» ways to increase supply by improving throughput</li> <li>» the nature of the qualifications that these occupations attain and the relationship to the registration process</li> <li>» possible mobility pertaining to learning and career pathways for technicians and technologists.</li> </ul>	<p>Jipsa Secretariat to expedite the formulation of concrete recommendations for addressing the challenges facing technicians and technologists. HESA to finalise plans to ensure that university of technology students secure experiential learning and work placements.</p>

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<p><b>High-level engineering and planning skills for the network industries</b> Ensure adequate supply of high-level engineers in the workplace.</p>	<p>Case study commissioned of the energy sector to determine what planning capacity exists, what is needed and what steps are required to address possible shortcomings.</p>	<p>Jipsa to develop a set of recommendations outlining:</p> <ul style="list-style-type: none"> <li>» how government should develop sophisticated forecasting and planning techniques that will anticipate and meet South Africa's long-term energy, transport, water and communications network demands</li> <li>» ways in which to develop advanced human capacity that will ensure the selection of appropriate technologies; as well as the necessary knowledge and skills within key government departments and regulatory authorities to assess and approve, timeously and competently, plans and proposals</li> <li>» how these functions will be underpinned by advanced research and consultancy capacity as well as by the training of high-level personnel, all the way up to doctoral and post-doctoral levels</li> <li>» ways of ensuring that these skills requirements are distributed across SoEs and private-sector suppliers, regulatory authorities, government departments and consulting firms and research agencies.</li> </ul>
<p><b>Planning and management capacity in the public health system</b> Strengthening the planning and management capacity of the public health sector.</p>	<p>Jipsa consultations have confirmed the challenges in planning and management and highlighted other issues, notably the funding of the public health system. The Department of Health has given Jipsa the opportunity to address provincial heads of health departments and agreement has been secured to engage further.</p>	<p>Jipsa needs to expedite the development of a strategy in consultation with the Department of Health and other key role-players. This will include continued engagement on how to retain health professionals and in particular those employed in the nursing profession within the public health system.</p>
<p><b>Planning and management capacity in education</b> Strengthening the planning and management capacity of the public education sector</p>	<p>The Department of Education has requested Jipsa co-operation regarding the development of proposals for an HRD Council. The following has been agreed:</p> <ul style="list-style-type: none"> <li>» the Department of Education's planning section has joined the Secretariat</li> <li>» the planning section is represented on the Reference Group overseeing the review of Jipsa</li> <li>» Jipsa has facilitated the establishment of a critical readers' group, to comment on the HRD proposals, concepts and reports.</li> </ul>	<p>The Department of Education has acknowledged that management information systems could be strengthened and aligned, and that planning capacity within the department should be improved. The Department of Education and Jipsa to engage further and concretise specific measures required to strengthen the department's planning and management systems and capacity.</p>

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<p><b>Mathematics, Science, ICT and communications in schools</b> Improve the quality and expand the pool of Mathematics Higher Grade and Science outputs.</p>	<p>Proposal submitted to the Department of Education, for support of the Dinaledi school initiative and agreement reached that Jipsa should identify complementary Mathematics and Science initiatives.</p>	<p>Jipsa Secretariat to further engage the Department of Education on additional measures of support required to increase the pool and quality of Mathematics and Science matriculants. Jipsa to discuss with the department what steps are being taken to upgrade the skills of existing Mathematics and Science teachers, and to train and import additional teachers to meet current and future requirements. Jipsa to engage with the department on ensuring that secondary education support, beyond the Dinaledi school initiative, provides adequate bridging measures for learners to move from secondary education into HE institutions or the labour market.</p>
<p><b>Tourism skills</b> Increase the level of skills in the tourism sector through improved co-ordination and support.</p>	<p>The Department of Environmental Affairs and Tourism's skills audit makes the following recommendations for skills acquisition in the tourism sector:</p> <ul style="list-style-type: none"> <li>» improving co-ordination and alignment within the sector</li> <li>» developing a Theta turn-around strategy</li> <li>» establishing work experience programmes for young people</li> <li>» developing specific training programmes for SMMEs</li> <li>» reviewing the state of training in the sector</li> <li>» training more managers (especially black managers)</li> <li>» rolling out a countrywide customer service programme.</li> </ul> <p>To address the recommendations contained in the skills audit report, the Department of Environmental Affairs and Tourism is:</p> <ul style="list-style-type: none"> <li>» developing an HRD strategy for the sector that will identify the roles and responsibilities of the various stakeholders in driving skills development and will recommend appropriate institutional mechanisms to drive the implementation of the proposed changes</li> <li>» facilitating round-table discussions on the Theta sector skills plan with the captains of industry, employers, learning institutions and private training-providers</li> <li>» obtaining an undertaking from Theta to design additional learning programmes that will address scarce and critical skills highlighted by the skills audit</li> <li>» hosting an annual tourism career fair, which aims to showcase the wide variety of careers available in the tourism sector</li> <li>» rolling out the Tourism Ambassadors' Programme that targets unemployed youth.</li> </ul>	<p>Theta has been placed on notice by the Minister so that action could be taken against it should it continue to underperform. The NSA is engaging with the Department of Environmental Affairs and Tourism to ensure that Theta's performance improves. The Department of Environmental Affairs and Tourism and Jipsa Secretariat are to finalise and implement the three-point action plan. The Jipsa Secretariat is to explore the role of Sports and Recreation South Africa in promoting skills acquisition in the tourism sector.</p>

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<b>Biofuels</b> Determine skills requirements for second-economy farmers.	The Department of Minerals and Energy has finalised the National Biofuels Strategy. Research commissioned by Jipsa has confirmed that biofuels production by second-economy farmers is indeed viable. However, it will require massive co-ordination among government and other stakeholders. Furthermore, a one-size fits all approach is not possible as different technologies are required for different crops.	The Jipsa Secretariat is to engage project owners (the departments of minerals and energy, of agriculture and of trade and industry) and key role-players such as AgriSA, the Biofuels Association and others on the report and develop an implementation strategy. The shortage of qualified and experienced agricultural extension officers is a critical constraint on the Government's Biofuels Strategy and on the development of the small and emerging farmer sector generally. Jipsa should commission an analysis and report on this issue, with practical recommendations for action. Project owners will need to make critical choices, such as: type of crops, technologies used, training methodologies, extension and support mechanisms and the role of commercial farmers.
<b>ICT</b> Identify skills requirements and constraints and determine ways to address the skills shortage.	High-level analysis completed of the ICT sector and its priority skills requirements.	The NSA and Department of Labour to ensure that performance of the Information Systems Electronics and Telecommunication Technologies Seta improves. The Jipsa Secretariat to convene a meeting with the Department of Communications and other stakeholders to ensure that the work of Jipsa informs and is incorporated into the establishment of the e-Skills Institute.
<b>BPO</b> Support the Monyetla talent-development initiative and report on progress.	Jipsa has been invited by the departments of labour and of trade and industry to participate in the National Talent-Development Committee for the BPO sector. The target to train 1 000 learners has been agreed upon with R17,1 million allocated to the Monyetla initiative. Contracts have been awarded to employers, recruiters and trainers to pilot Monyetla.	The Monyetla talent-development initiative under the co-ordination of the departments of labour and of trade and industry is on track. Jipsa to continue to play a watching role and to support and monitor progress.



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<p><b>Placement programme</b> Ensure the development of a co-ordinated strategy for the placement programme.</p>	<p>A review of the placement programme is underway.</p>	<p>The Secretariat is to oversee the review of the programme and submit firm recommendations to the Joint Task Team for consideration. The Secretariat is to engage the Department of Foreign Affairs with regard to identifying placement opportunities in various countries and identifying its wider role in supporting AsgiSA/ Jipsa activities. Government departments are to be encouraged to provide financial support for key placement programmes aimed at building their capacity. The IDT must ensure that it has the necessary capacity to effectively co-ordinate the programme.</p>
<p><b>Jipsa Review Document</b> Lessons learnt, analyse models of work and processes engaged in, review the strategic approach of Jipsa to inform high-level decision-making on the most appropriate model for the future achievement of Jipsa's goals and objectives.</p>	<p>A review of Jipsa is underway.</p>	<p>Secretariat to oversee the review and present research report to the Joint Task Team for consideration.</p>



JOINT INITIATIVE ON  
PRIORITY SKILLS ACQUISITION

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