

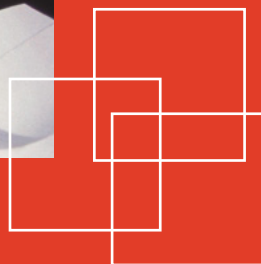
State of **SKILLS**



International
Labour
Organization



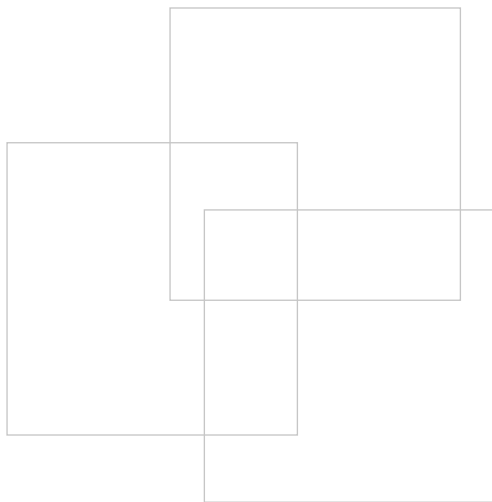
1919-2019



South Africa

State of

SKILLS



South Africa

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The socio-economic context

South Africa is an upper-middle income country and the second biggest economy in sub-Saharan Africa. It has recovered from the recession of 2009, but economic growth has since been moderate: gross domestic product (GDP) growth is expected to have been 1.5 per cent for 2019, rising to 2.1 per cent by 2021.

The South African economy is dominated by the service sector.

This sector represents 61 per cent of GDP and accounts for 71.7 per cent of total employment. The share of agriculture in terms of GDP and employment stands at 2.2 and 5.0 per cent, respectively; this is well below the sub-Saharan Africa average (15.2 and 54.4 per cent, respectively). Industry including construction accounts for 25.8 per cent of GDP and 23.1 per cent of total employment (ILO, 2019). Around 35.1 per cent of the workforce is in informal employment (excluding agriculture), significantly below the 66 per cent estimated for sub-Saharan Africa as a whole (Kathage, 2018). Despite its comparatively modern economic profile, many service sector jobs are concentrated in low wage areas, such as domestic work and private security, with the manufacturing sector's share of employment declining, a trend likely to continue due to automation and digitalization (ILO, 2018).



Despite the socio-economic progress made since Apartheid ended, the country has a triple challenge of high unemployment, inequality and poverty.

Since 1994, South Africa has made progress in tackling poverty through an expansion of healthcare and education and an increase in basic services provision. Nonetheless, it remains one of the most unequal countries in the world, with a Gini-coefficient of 0.63 and high levels of inequality across wealth, wages, consumption and access to basic services (Sulla and Zikhali, 2018). Poverty rates have fluctuated since 2006 in response to the 2008 financial crisis and the impact of adverse climatic conditions on vulnerable parts of the population. The share of the population living in extreme poverty increased from 28.4 to 33.5 per cent between 2006 and 2009, before dropping to 21.4 per cent in 2011 and then rising again to 25.2 per cent in 2015 (Statistics South Africa, 2017b). Since 2010, unemployment levels have varied from between 24 and 29 per cent, with the risk of being unemployed on average 5 percentage points higher for women than for men. In 2019, the overall unemployment rate reached 29.1 per cent. Young people are the most vulnerable group in the South African labour market: the unemployment rate for those aged between 15 and 25 years reached 58.2 per cent in 2019, indicative of severe inequalities in labour market access and deficiencies in the school-to-work transition (Statistics South Africa, 2019a). The rate of young people not in employment, education or training (NEET) is high at 29 per cent for men and 34.2 per cent for women aged 15–24 years old (ILO, 2019). With over 45 per cent of the population under 25 years of age, finding solutions to the lack of employment and educational opportunities for young South Africans is a pressing challenge (CIA, 2019).

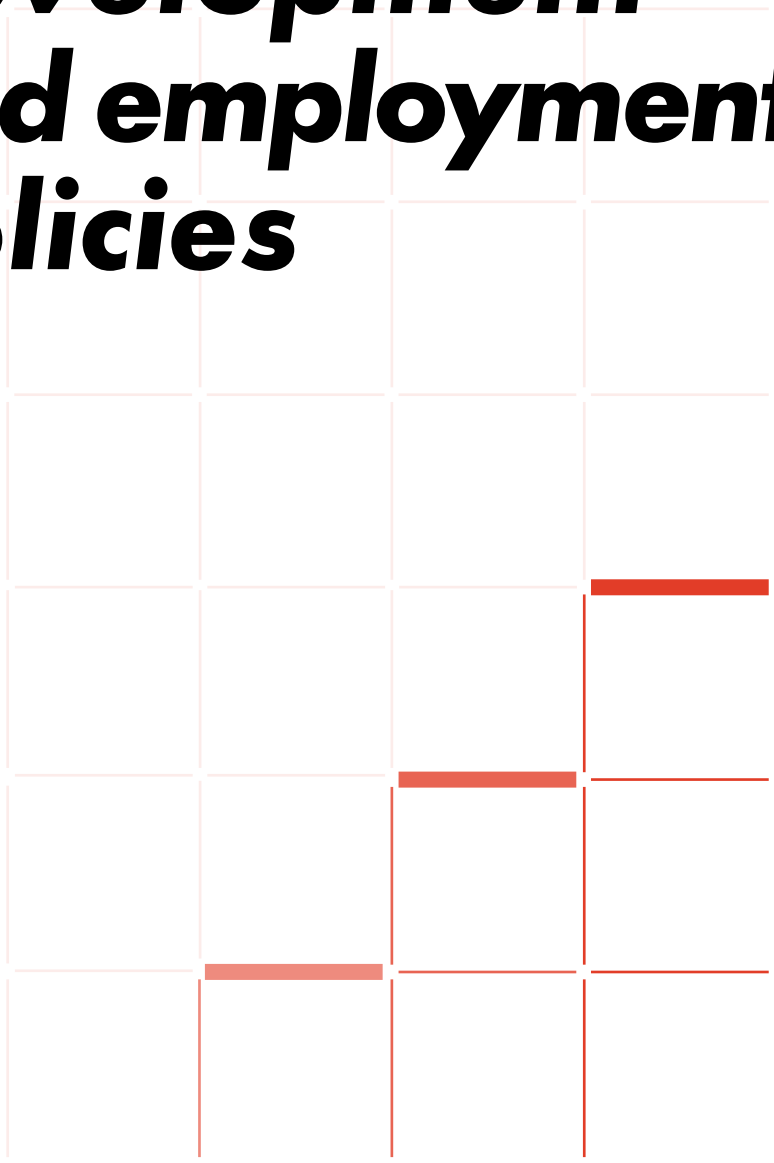
Skills development and job creation are key drivers of equality.

Since 1994, South Africa has invested heavily in education, with government expenditure having been above 5 per cent of GDP since 2009 and reaching 6.16 per cent in 2018 (UNESCO, 2019). As a result, the country has almost universal primary education, with a net enrolment rate of 87 per cent in primary education in 2017 and a transition rate to secondary education of almost 96 per cent in 2015. A bigger challenge is the transition into tertiary education, where gross enrolment was only 22 per cent in 2017 (UNESCO, 2019). Data on educational attainment for the 25–64 age group show pronounced differences according to ethnic background, a legacy of the discriminatory, selective educational policies of Apartheid. While 68 per cent of all South Africans have attained secondary and 12 per cent post-secondary education, the rate for White South Africans attaining post-secondary education is more than four times that for Black South Africans (38.3 compared to 9.1 per cent) (Statistics South Africa, 2017a).

Survey data reveal pronounced spatial inequalities in access to education.

While 13.4 per cent of learners living in urban areas attended post-secondary or tertiary education (TVET and other colleges, higher education institutions) in 2016, enrolment was much lower in rural areas (8.6 per cent in farming areas, 7.1 per cent in traditional tribal areas). Future policy needs to address this imbalance, because post-secondary educational attainment significantly increases a person's likelihood of being employed: persons who had completed post-secondary education comprised only 9.2 per cent of those unemployed (compared to 12 per cent of the workforce), whereas persons with below secondary educational attainment were over-represented (Statistics South Africa, 2019a). South Africa is, moreover, subject to a severe qualifications mismatch: in 2018, just over a half (52 per cent) of all South Africans worked in an occupation for which they did not have the right qualification (OECD 2019b). Future educational efforts need therefore to be more closely aligned to labour market opportunities and demands.

Development and employment policies



The National Development Plan (NPD) 2030 represents South Africa's long-term vision for policy development. It has six priorities:

- I.** unite South Africans around a common programme for prosperity and equity;
- II.** promote active citizenry to strengthen development, democracy and accountability;
- III.** bring about faster economic growth, higher investment and greater labour absorption;
- IV.** focus on key capabilities of people and the state;
- V.** build a capable and developmental state; and
- VI.** encourage strong leadership throughout society to work together to solve problems (National Planning Commission, 2012).

The plan has three immediate priorities:

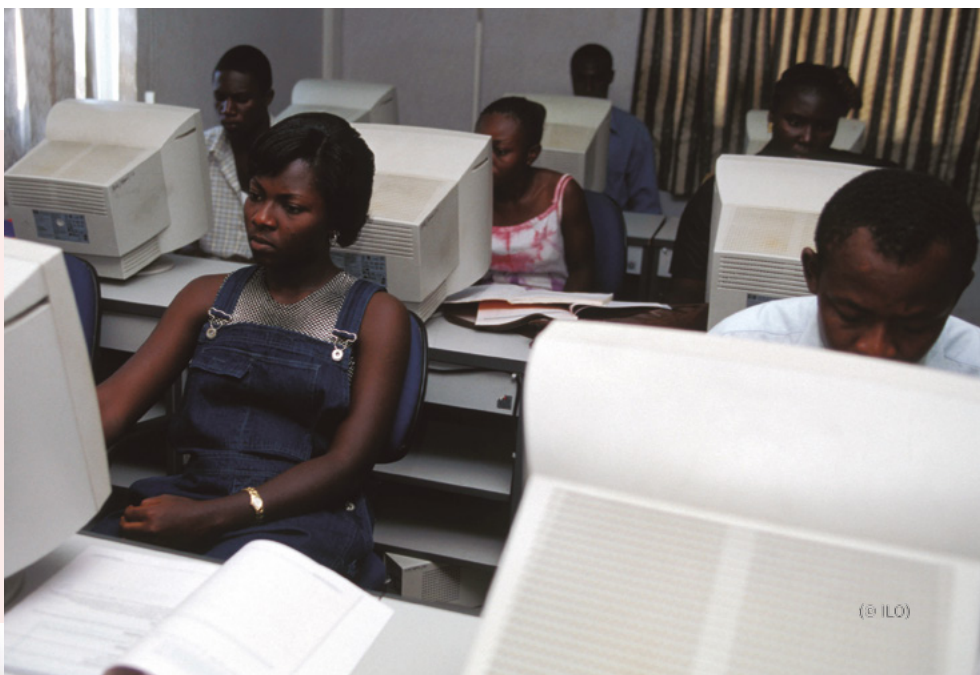
- I.** raise employment through faster economic growth;
- II.** improve the quality of education, skills development and innovation; and
- III.** build the ability of the state to play a developmental, transformative role (ibid., p. 27).

For education specifically, the primary goal is to significantly improve learning outcomes by giving South Africans access to education and training of the highest quality and by making education compulsory up to Grade 12 or to an equivalent level in vocational education and training (ibid., p. 296). The NDP 2030 sets ambitious goals for all levels of education, from early childhood to tertiary education; for instance, its aim is to increase the participation rate at universities by 70 per cent, boosting enrolment from 950,000 learners in 2010 to 1.62 million by 2030 (ibid., p. 319). Alongside an expanded early childhood education provision and improved teacher training, the NDP 2030 also has development targets for vocational education and artisanal training.



*“Everyone has the right-
(a) to a basic education,
including adult basic
education; and
(b) to further education,
which the state, through
reasonable measures,
must make progressively
available and
accessible.”*





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– Constitution of the Republic of South Africa

Article 29

The skills system in South Africa

Since 1994, the South African TVET system has been reformed and modernized. There is now greater access for learners and modern governance institutions have been established. The South African Qualifications Authority (SAQA) has been founded and a National Qualifications Framework developed; Sector Education and Training Authorities (SETAs) have been created and a National Skills Fund (NSF) set up. Within this institutional framework, private training providers now massively out number public providers. This has tilted the provision of vocational education away from technical fields and towards more general ones, such as business and management (see section on skills development below). Future policy efforts need to focus on matching skills provision to labour market opportunities and demands; this is especially the case for those jobs that require occupational qualifications below university level.



TVET policies and reform

Reforms to skills development have mainly focused both on increasing access to education and training to boost the employment chances of young people and on strengthening the link between colleges and companies. As a long-term goal, NDP 2030 has targeted raising the participation rate in vocational colleges to 25 per cent of all post-secondary education, amounting to a more than fourfold increase in learners from 300,000 in 2012 to 1.25 million by 2030 (National Planning Commission, 2012, p. 321); training 30,000 artisans annually; and increasing Community Education and Training (CET) learners to 1 million by 2030. Moreover, it seeks to forge a strong relationship between the college sector and industry with the aim of improving the quality of training in colleges and ensuring that training content is relevant for labour market needs. This is to be achieved in part by giving industry a greater say in curriculum development.

The National Skills Development Plan (NSDP) 2030 launched in 2019 is a landmark for education and TVET reform. Its central mission is to “improve access to occupations in high demand and priority skills to support economic growth, employment creation and social development” (DHET, 2019a, p. 5).

While keeping equal access to education and training in focus, the NSDP shifts attention to the identification of skills needs, both at the workplace and at sectoral level. Special attention is paid to (priority) occupations in high demand with consideration also given to skills needs at the provincial and local levels. The NSDP has eight strategic outcome goals:

- I.** Improve the responsiveness of the post-school training system by biannually compiling a list of occupations in high demand and encouraging the formation of centres of specialization.
- II.** Strengthen the link between education and the workplace by promoting workplace-based learning and enhancing the role of SETAs in linking learner supply to employer demand.
- III.** Improve the level of skills in the South African workforce by supporting the further training of those already in employment in order to raise productivity and economic growth. This includes a review of how SETAs' budgets are used to support employed workers. Further training is also planned as a way of ameliorating skills imbalances and inequality among South Africa's ethnic groups.

- IV.** Increase access to occupationally directed programmes through new programmes for TVET and CET colleges and making work experience a requirement.
- V.** Increase investment in TVET and CET colleges which, as key providers of the skills required for socio-economic development, offer training for people with intermediate skills as well as those with low formal qualifications.
- VI.** Support skills development for entrepreneurship and cooperative development to boost the jobs creation and economic performance of micro-, small and medium-sized enterprises (MSMEs) and cooperatives.
- VII.** Encourage and support the worker-initiated training offered by trade unions and workplace representatives.
- VIII.** Support career development services to help guide youth in making career choices, particularly at the school level.

One important change to governance is an even greater focus on the role of SETAs in linking education and training institutions with the workplace, in particular by expanding the capacity of SETAs to identify priority occupations and the skills that contribute to economic growth – a key part of the central mission of the NSDP 2030. Lastly, the NSDP 2030 announced a mechanism to address the non-performance of SETAs in those cases where they do not fulfil their functions.




Governance

Since 2009, there have been two ministries responsible for education in South Africa: the Department of Basic Education for programmes up to secondary schooling and the Department of Higher Education and Training (DHET) for higher education and post-secondary training, which covers the TVET sector. The DHET is mainly tasked with formulating policy, norms and standards for TVET. Additional responsibilities include the national curriculum and teaching personnel, setting targets for students and programmes, as well as funding TVET (cf. UNESCO–UNEVOC, 2014; DHET, 2019b). In TVET governance, the DHET is supported by several auxiliary institutions.

The National Skills Authority (NSA) is composed of the main stakeholders¹ in the training system. It advises the DHET on and monitors national skills development policies, assists in reviewing the TVET legislative framework, and monitors and evaluates the work of the SETAs (NSA, 2019). SETAs are tasked with compiling sectoral labour market and training information, quality assurance, as well as the development of Sector Skills Plans (SSPs), plus overseeing and making recommendations on the Workplace Skills Plans (WSPs) of employers, who use them to upgrade employees' skills.

¹ The NSA consists of the following stakeholders: a chairperson appointed by the minister; five members each for organized labour, organized business and community constituencies (for civic representatives, youth, women and persons with disabilities), who are nominated through NEDLAC (see below); five state representatives from government departments whose mandate is linked to and/or impacts skills development; representatives from education, training and skills providers; and, five ministerial discretionary appointments (one from SAQA, two from employment services, and two further representatives with expertise and knowledge in skills development) (NSA, 2019).



In addition, SETAs oversee the practical component of training and examinations in their respective sectors. Currently, there are 21 SETAs with broad sectoral stakeholder representation. Each receives 80 per cent of the skills development levy (see below) to fund training activities in its sector.

The South African Qualifications Authority (SAQA) was created by the National Qualifications Framework Act No. 67 of 2008 and is mandated to oversee and implement the National Qualifications Framework. This includes the formulation of criteria for the registration of training providers and programmes, and setting guidelines for curriculum development. To coordinate the development of occupational skills, in 2010, South Africa established the Quality Council for Trades and Occupations (QCTO). The QCTO is tasked with creating and managing an Occupational Qualification Sub-Framework. Furthermore, it has the important function of accrediting skills development providers and assessment centres, as well as having responsibility for skills assessment and the certification of qualifications (QCTO, 2019). Two further organizations support the functions of the QCTO in specific areas: the National Artisan Moderation Body (NAMB), responsible for artisanal training, and the Council for Quality Assurance in General Further Education and Training (UMALUSI), responsible for a sub-framework of qualifications and quality assurance for general and further education and training, as well as the schools certification programme (National Senior Certificate, Senior Certificate Amended), TVET colleges (National Technical Certificate, National Certificate Vocational) and Adult Learning Centres (General Education and Training Certificate for Adults).

Social dialogue

Broad stakeholder representation is central to South Africa's TVET governance system. The NSA, which is tripartite plus in composition, advises, for instance, the Minister of Labour on the National Skills Development Policy and Strategy through a process of social dialogue engagement. Alongside government, workers' organizations and employers, the main governance institutions typically include further stakeholders, such as NGOs, community-based organizations and training providers (cf. UNESCO–UNEVOC, 2014). Social dialogue is also a part of the decision-making process in the fields of social, economic and labour policies, supported by the National Economic Development and Labour Council (NEDLAC). Since 1995, NEDLAC, whose membership is drawn from government, employer and labour representatives, as well as community representatives, has had an essential role in introducing greater social inclusion into the labour market. Every new labour law must be discussed in NEDLAC before it can enter the parliamentary process (ILO, 2011).

Broad stakeholder representation is a key feature of countries with a well-developed, dual training system that reconciles stakeholders' multiple interests in training. However, there has been very little research into how well this type of cooperation works in South Africa at the occupational and local level, especially in the area of policy implementation. In regard to this, NEDLAC could cooperate more strongly with the NSA to devise mechanisms for strengthening social dialogue at these two levels.

Financing

In general, the South African TVET system receives its funding from three sources: government expenditure, a skills development levy and private education spending in the form of fees paid to private institutions.

First, while government expenditure on education is comparatively high when compared internationally, the largest proportion goes to primary and secondary education. Whereas in 2018 government expenditure on basic and secondary education was 4.6 per cent of GDP, post-secondary education expenditure amounted to 2.0 per cent of GDP, 0.6 percentage point higher than in 2011 (Statistics South Africa, 2019b). This post-secondary education spending is weighted towards higher education. In 2018, university education accounted for 60.8 per cent of post-secondary education expenditure, whereas expenditure on SETAs was significantly lower (19.3 per cent), TVET institutions (10.7 per cent), the NSF (4.8 per cent) and CET (3.2 per cent) (Statistics South Africa 2019b). In view of the NDP 2030's declared aim of increasing TVET and CET participation, this systematic imbalance within public expenditure will need to be addressed.

Second, the Skills Development Levies Act of 1999 requires that employers with a net-wage sum of more than 500,000 South Africa rands (ZAR) pay 1 per cent of net-wages to the NSF (SAQA, 2019). Of the total funds collected, 20 per cent is disbursed to the NSF to finance programmes across the entire training system. The remaining 80 per cent is passed to the SETAs and used to finance training activities undertaken by companies (DHET, 2019a).

Lastly, private education expenditure is a further source of TEVT finance, mostly constituted of the registration and tuition fees charged by private training institutions. While no exact numbers are available on the total amount spent on private education (OECD, 2019), there is evidence that fees are an important barrier to participation. Although the NSF provides financial aid to learners in the form of subsidies, more than 50 per cent of youth aged between 18 and 24 not in education or training gave fees as the reason for non-attendance at educational institutions (Statistics South Africa, 2019b).



Skills anticipation

Skills anticipation in South Africa is relatively well developed in the area of labour market demand, but better evidence is needed at the sectoral level and of the value of educational programmes. With regards to governance, the DHET and the NSA are the two important institutions responsible for skills anticipation, supported by the SETAs who collect information on skills needs. It is envisaged that this function of the SETAs will be strengthened in the future (DHET 2019a), although the DHET already regularly publishes a list of occupations in high demand (DHET, 2018).

Various stakeholders use the list as a tool to improve decision-making when tailoring the post-school training system to meet labour market skills needs. However, research has shown that the SETAs could help improve the effectiveness of the Sector Skills Plan approach by improving their accuracy, validity and reliability in identifying occupational needs (Rasool, 2015). In the same vein, the quality of data collection and analysis has been shown to vary widely between individual SETAs.

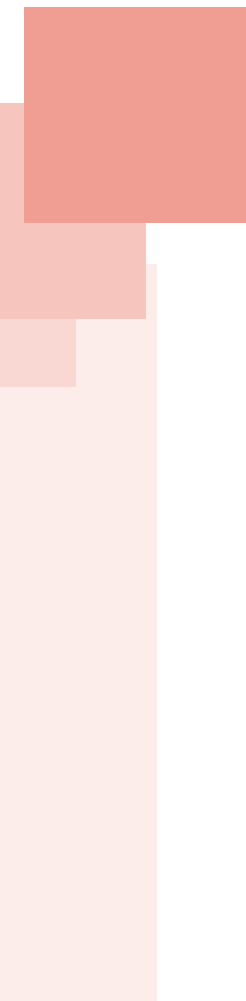
Moreover, many – mostly small medium enterprises (SMEs) – employers do not submit Workplace Skills Plans and Annual Training Reports, thus compromising the information available through non-response (OECD, 2017). One potential strategy to counter this situation would be to centralize information processing and analysis in a national institution where specialized expertise in data analysis and TVET research could be developed. While it is a given that data collection needs to be improved at the sectoral level, centralized data analysis may have the advantage of identifying those gaps in skills that cut across occupational boundaries and this may lead to a more holistic approach when improving skills development programmes.

Finally, data collection on the training-to-work transition relies on reliable information being collected on the transition of TVET graduates into employment by occupational learning field, as well as by type of training provision (learnership, apprenticeship, public/private provision), but available data are scarce and scattered across a wide range of sources. This calls for a greater role for public and private training providers in providing information for skills anticipation.

Skills development



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There are six main pathways for skills formation within the South African TVET system offered at different learning sites and qualification levels:

- I.** NATED (N)/Report 191 programmes that are currently being phased out and combine 18 months of learning at college with a further 18 months' work experience;
- II.** National Senior Certificates (NSC) for technical subjects offered by high schools;
- III.** National Certificate Vocational (NCV) programmes offered by vocational colleges at three levels (2, 3 and 4 NQF), each requiring a full year of study;
- IV.** Occupational programmes, such as learnerships (18 months) and apprenticeships (36 months);
- V.** National Higher Certificates offered in partnership by colleges and higher education institutions;
- VI.** Recognition of prior learning (RPL) (DHET, 2013, 2019d, n.d.; CHE, 2016).

Improving delivery and assessment of training

In 2017, there was a total of 327 registered post-school education colleges, 50 public TVET colleges, nine CET and 268 private colleges at which 1,133,000 learners were enrolled compared to the 1,222,000 learners in higher education institutions (DHET, 2019c). The public TVET colleges enrolled 688,000 learners in 2017, of whom 89.6 per cent were young people aged between 15 and 29 years, with almost 75 per cent of all students studying for NATED (N) programmes. In 2016, the two biggest fields for public TVET college attendance were engineering (23.9 per cent) and management (18.1 per cent) (Statistics South Africa, 2017a). In contrast, evidence is very patchy on the distribution of students in private colleges, as only the information from those who responded to government surveys is available. These data report that 187,000 students attended private colleges in 2017, 40,000 of whom attended courses offering occupational qualifications (DHET, 2019c). More than 42 per cent of learners attended business, management and communication studies, while only 9.5 per cent attended equipment-heavy courses in manufacturing, engineering and technology. In order to facilitate smart programmatic government investment, data availability – especially data on the private provision of TVET education – will have to be improved. This is also the case for data on drop-out rates, tracer studies by type of provider, as well as TVET drop-out/completion rates.

Work-based learning

In 2017, there were 269,000 workers and unemployed persons registered for SETA-supported, work-based learning programmes, such as learnerships, internships and skills development programmes, of whom 177,000 were awarded certificates. Furthermore, in 2017, 32,000 learners entered artisanal programmes, such as apprenticeships, with training for electricians, plumbers and bricklayers being the largest occupational fields. A total of 21,000 learners completed an apprenticeship in 2017, which, taken together with the intake of the previous years, points to a rather high completion rate of these programmes. When comparing the numbers for learnerships with artisan programmes, it is striking how learnerships enroll almost four times as many learners as do apprenticeships, despite the completion rate for learnerships is estimated as being below 50 per cent (DHET, 2019c). This disparity is due in part to a shift in policy under the Skills Development Act (1997/1998) in favour of shorter 18-month learnerships which led to a decline in apprenticeships which take twice as long (36 months) to complete (Mzabalazo Advisory Services, 2014). In terms of strategy for approaching South Africa's future skills development, however, revitalizing apprenticeships and potentially broadening the scope of those occupations covered may be an option.

This is supported by a recent ILO study that underscored the potential benefits to firms and individuals alike of such a strategy; namely, staff retention, improved technical knowledge and professional experience and improved individual employability (ILO, 2018).

Besides apprenticeships and learnerships, there is a wide range of potential interconnections between the formal TVET system and workplace learning; for instance, work placements for students for on-the-job practical training. A primary way of involving companies in training and workplace education is through SETA sectoral training funds. Firms are relatively free to decide whether they want to spend the allocated funds on either initial or continuing VET training when devising a Workplace Skill Plan. The administrative process for claiming such funds has been found to be cumbersome, especially for SMEs (OECD, 2017). In line with the NDP 2030 strategy of expanding centres of specialization, one remedy could be for a proportion of sectoral funding to be directed to training centres run jointly by SMEs and public providers, so as to bundle institutional capacities and involve more SMEs in the formal training system.

Skills recognition and quality assurance

With the creation of SAQA in 1996, South Africa became the first country on the continent to introduce a national qualifications framework. This framework has since been revised several times. The National Qualifications Framework (NQF) has ten levels, with TVET situated at levels 1 to 5. The National Certificate Vocational is located at levels 2 to 4, while NATED (N) certificates and occupational qualifications range from levels 2 to 5. Programmes vary in both duration and training content, as well as in regulations regarding the minimum amount of workplace learning.

Several institutions that fall under the remit of the DHET are responsible for assessment, examinations and the awarding of certificates. The Council on Higher Education is responsible for managing the recognition of prior learning (RPL), credit accumulation and transfer and assessment (CHE, 2016). RPL can be an important tool for making effective use of productive potential of South Africa's workforce – especially in light of the legacy of pre-1994 education policies. Employers' and workers' organizations participate in the design and implementation of RPL through their respective SETAs (Aggarwal, 2015). Yet, systematic and coherent evidence on the effects of RPL on labour market and education transitions needs to be expanded.

Although it has been reformed several times, South African researchers have pointed out that the NQF is a policy tool for skills development through the articulation of qualifications which cannot in itself replace a thorough and multidimensional process of curriculum development (Allais, 2018).

Social inclusion

It is the declared ambition of the NDP 2030 that all South Africans have access to education. This is to be achieved by, among other things, increasing the capacities of universities, TVET and CET colleges. Among its most ambitious goals in this respect is the quadrupling of the number of learners attending CET colleges by 2030 from the 258,000 that attended in 2017 (DHET, 2019c). However, while this policy might boost employment-related and basic skills at the local level, currently almost 45 per cent of all CET learners are enrolled in NQF programmes leading only to a level 1 qualification (ibid.). Policy efforts ought to be directed towards providing clear pathways to skills at higher NQF levels as the CET sector expands.

Alongside SETA expenditure for learnerships, apprenticeships and Skills Development Programmes targeting workers and the unemployed alike, the National Skills Fund (NSF) also supports targeted programmes.



NSF funding was revised in 2018 to widen access for vulnerable and disadvantaged groups; for example, by providing more funding for learners from rural areas and by expanding community-based skills initiatives (NSF, 2018).

Rebalancing NSF expenditure in general towards more equal access must be an ongoing priority, especially in light of South Africa's exceptionally high NEET rate. For instance, in 2015/16, training expenditure for learners was mainly directed towards universities (56 per cent), and comparatively less towards training in either TVET colleges (16 per cent) or at the workplace (27 per cent) (OECD, 2017), where more learners were enrolled. Moreover, the National Student Financial Aid Scheme (NSFAS) which is responsible for student loans and bursaries in public universities and TVET colleges was orientated towards higher education, with 18.3 million ZAR distributed to university students in 2019 and only 2.7 million ZAR spent on TVET college students (NSFAS, 2019).

Continuous training

In principle, SETA-supported employers' Workplace Skill Plans (WSPs) are the main way for employed South Africans to access further training. For the unemployed, a number of programmes offer work experience, including learnerships, internships and skills development programmes, as well as the Expanded Public Works Programme (EPWP).

There are, however, several deficits that future policy could address. On the one hand, because many SMEs and employers in the informal economy do not have a WSP, the effectiveness of SETA-funded programmes for further training is limited. On the other hand, Department of Labour (DoL) programmes for the unemployed have only a limited effect on skills as they have no formal role within South Africa's training system (OECD, 2017). This points to a need for greater cooperation between the DHET, SETAs and the DoL to better align training policies with the labour market. More generally, greater cross-departmental cooperation between those government institutions that impact upon the labour market as well as skills formation would help address skills mismatch (Reddy et al., 2016). This has the potential to create greater coherence in tackling skills mismatch, with 52 per cent of South African workers either overqualified (24 per cent) or underqualified (28 per cent) in 2018 (OECD, 2019b).

Teacher education for lifelong learning

The quality of learning opportunities is critical in the quest for lifelong learning, and the quality of teaching personnel a crucial aspect of successful learning. While South Africa has worked towards better teacher education over the past decade, future reforms will have to cross educational boundaries if the competence of teaching personnel is to be improved. Recent research has highlighted weaknesses at the various teaching levels. For instance, a study among high-school maths teachers found the average performance in a Grade 12 mathematics paper examination was a mere 57 per cent, falling to 29 per cent for questions requiring problem solving (Bansilal et al., 2014). In the area of TVET, a recent study analysed the contextual factors thought by teachers to impede their further training (Zinn et al., 2019). Among the main ones identified were low income and poor career advancement opportunities, insufficient guidance by way of mentoring, a perceived lack of quality further training courses and the limited finance available to TVET colleges. Furthermore, TVET lecturers reported a need for further training in the areas of content knowledge (37% of all survey respondents), pedagogic-psychological knowledge (27%), as well as pedagogical content knowledge (20%). Future policies ought to take account of teachers' perspectives when identifying ways to improve teacher training in the TVET system.

Skills for green jobs

South Africa's abundant natural resources and biodiversity present great opportunities for green jobs in a wide range of labour-intensive sectors. Skills are at the very core of a transition to a green economy, but as it stands, large skills shortages pose an obstacle to green restructuring. Despite an emphasis on enabling a just transition to an inclusive, low-carbon economy, the country's skills development path and central policy has placed little explicit focus on greening.

In this regard, a recent ILO report has singled out the challenges for future policy. First, while initiatives for green skills exist at the SETA and governmental department level, policies lack coherence. For instance, the 2011 National Climate Change Response Paper of the Department of Environmental Affairs has some focus on green skills, but it makes little mention of skills development. Second, there is currently no SETA for the environmental sector. Lastly, curricula in TVET institutions have not so far been geared towards a greater specialization in green skills (ILO, 2018). As green skills and sustainable production cut across economic sectors, a more coherent policy approach is needed for the identification and development of green skills. Potentially, this could be guided by an inter-ministerial institution, to include the SETAs and NEDLAC, tasked with developing skills and economic transition pathways towards a green economy.

Key challenges

In the last 25 years, successive governments have successfully worked towards widening educational access and improving the skills system for all South Africans. In line with the NDP 2030, South Africa has set important policy goals for improving socio-economic development and addressing the triple challenge of unemployment, poverty and inequality. Reforms to the breadth and quality of the population's skills base are key to realizing these goals. However, current efforts face several important challenges:

1 Expanding the country's skills base while simultaneously improving the labour market relevance of vocational programmes.

Policy to make skills provision more relevant is currently geared towards greater industry involvement, but vocational programmes have to include transferrable skills that are broad enough to be of relevance to multiple occupations if the occupational and sectoral mobility of workers is to be safeguarded. The expansion of public CET alongside public TVET colleges could potentially work to this end.

2 Improving the evidence on investment in skills and the performance of educational programmes.

Data collection and the analysis of South Africa's skills system have to provide better evidence for public investment and priorities for future policy. SETAs have a potentially important role to play in identifying the training needs of industry, but their effectiveness in doing so varies widely. In the same vein, data on private education provision below university level remain patchy in terms of enrolment by programme type and educational output. Both these aspects need strengthening to validate the evidence-base for smart policy-making.

3 The twin goal of expanding education and enhancing the quality of educational programmes requires a careful balancing of public resources for VET provision.

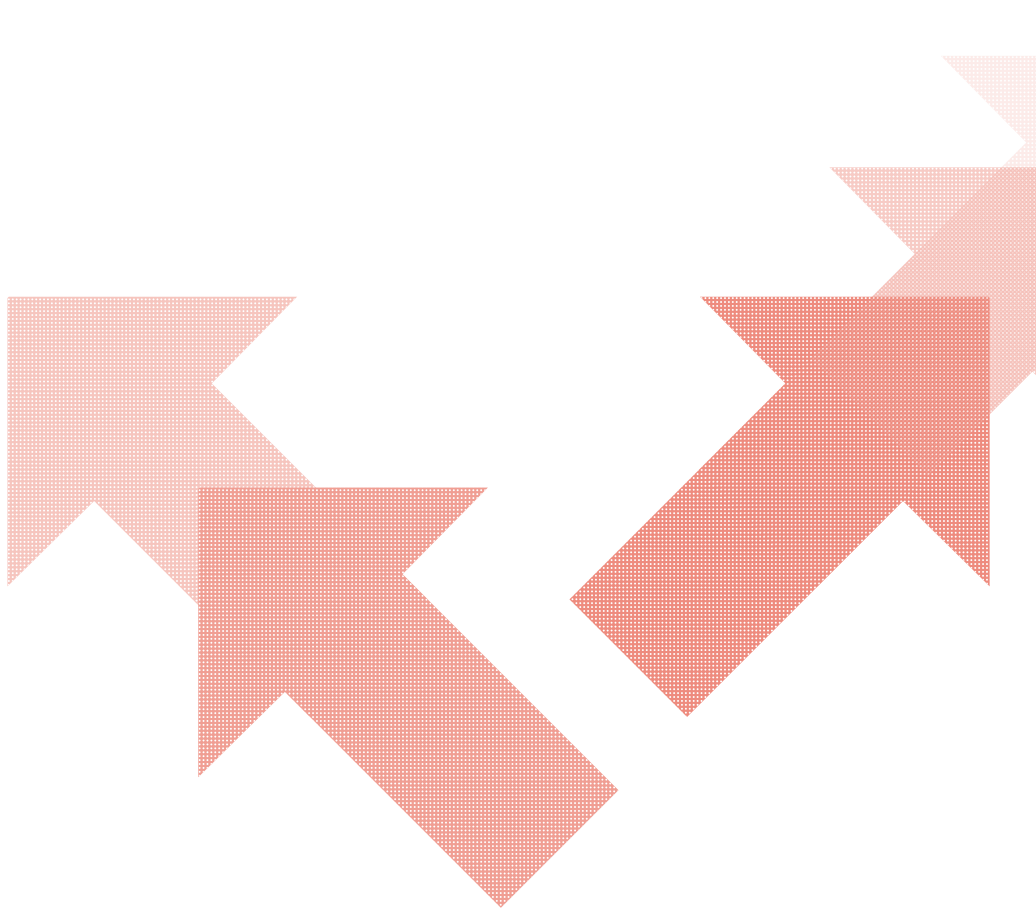
Expanding TVET and CET requires more public funding for those skills programmes that enable upward educational mobility and access to the labour market. Moreover, finance should not only be directed towards in-demand occupations, but also towards those programmes that are comparatively effective.


4

Improving the quality of TVET-programmes.

Expanding TVET is one of the key challenges to increasing productivity and addressing the skills mismatch in South Africa's economy. This relates to the quality of the programmes on offer. Twenty-three per cent of young South Africans aged 15 to 34 years think that youth unemployment is due to inadequate education and 60 per cent believe it to be impossible to get a decent job in South Africa without a university degree (British Council, 2018). In this regard, skill programmes ought not only to provide clear progression pathways within education, but also pathways towards employment. This entails improving the capacities of TVET teaching personnel; strengthening the reputation of TVET; expanding provision at CET colleges above NQF level 1; and involving more companies in training initiatives. In the latter regard, revitalizing the apprenticeship system by extending it beyond artisanal qualifications and developing centres of specialization in partnership between colleges and industry are two challenges that should be addressed.

The way forward





As this report has shown, the challenges facing South Africa's skills formation landscape are multi-layered and various. There is no single solution, but promising actions can be identified:

1

Improving data collection and analysis within the TVET system to tackle skills mismatch.

In particular, SETAs require the support in analysing data collected and the involving (private) TVET providers in data collection and analysis, and a focus on skills that cut across occupational sectors.

2 Rebalance the education budget between TVET and higher education to reduce the bias favouring higher education.

This can be done by allocating more resources and the NSFAS to TVET colleges so as to increase NEET youth enrolment.

3 Expand public provision of educational programmes in those areas not adequately covered by private providers.

To create a well-balanced supply of education offers, especially for occupational qualifications below university level.



4 Improve evidence and reliable information.

On the transition of TVET graduates into employment by occupational learning field, as well as by type of training provision (learnership, apprenticeship, NQF programme level, public/private provision (rural/urban areas).

5 Revitalize and expand apprenticeships.

Beyond those occupations already covered.

6 Link SMEs more closely to public training providers.

Within a strategy of creating centres of specialization; for instance, by allocating a proportion of sectoral training funds to training centres run jointly by industry and educators.

7 Provide clear education pathways within CET.

By increasing the number of education offers at the higher NQF levels and extending its linkages with local companies.

8 **Improve TVET teacher training.**

Including in-service training, and strengthen the profession by taking account of teacher perspectives in TVET policy-making.

9 **Intensify cooperation among relevant ministries and institutions.**

This could include, for instance, fostering greater cooperation between the DHET, DOL, SETAs, education providers and teacher/student representatives in order to develop coherent approaches to future challenges such as digitalization, automation and the transition towards a green economy.

10 **Strengthen the ability of PES to bridge the gap between education and training and the labour market.**

In areas such as employment counselling, support for jobseekers and strategies for digital transformation.

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