



merSETA

MANUFACTURING, ENGINEERING
AND RELATED SERVICES SETA

The merSETA: Press Release

Attention: Business Editors; Education and Training Editors; Labour Editors

Fourteenth unqualified audit report for the merSETA

For immediate release,

The merSETA's strict adherence to corporate governance principles and the Public Finance Management Act (PFMA) was rewarded once again when the Auditor-General gave the organisation another unqualified audit report – the 14th since its inception.

The achievement was celebrated at the merSETA's annual general meeting held at the Premier Hotel at OR Tambo International Airport and attended by various stakeholders.

The announcement, made by the merSETA Chairperson Ms Phindile Baleni, was met with a rapturous applause from the audience.

The AGM was held under the theme: "We Build the People that Build South Africa – 20 Years of Democracy."

The A-G's report essentially means the merSETA is financially sound, as it has been in the past 13 financial years.

Despite operating under stringent budgetary constraints, the merSETA has been able to make a significant contribution to skills development and raising the skills base in the manufacturing and engineering sector.

Ms Baleni told stakeholders that the merSETA had a successful year and that its achievements had gone a long way towards building a globally competitive industry in a challenging macro-economic environment.



She warned that the sector continued to feel the pain of the economic recession of 2008-2009, as evidenced by the drop in manufacturing's contribution to Gross Domestic Product (GDP) from 19.7% in 2002, to 17.5% in 2011.

“Most of the seven sectors that make up the merSETA have shown some level of recovery between 2009 and 2012. But we still have some way to go to restore full vigour and health to a sector that is in many ways the heartbeat of the economy,” she said.

Ms Baleni pointed out that it was more crucial than ever that the merSETA lived up to its mission of increasing access to high-quality and relevant skills development and training opportunities.

The highlights of the financial overview, presented by Chief Financial Officer Ms Lindiwe Ndlela, were:

- The merSETA's achievement of an unqualified audit;
- Its achievement of 85% of performance targets;
- The growth of its levy income by 13% during the financial year to R1 155 billion;
- The increase in the number of contributing employers across the five chambers from 12 670 to 12 849;
- The oversubscription of discretionary grant applications far beyond available funds;
- The achievement by merSETA of all but one of its performance targets set out in the Annual Performance Plan; and
- The maintenance of substantial reserves 96%-committed in learnerships, apprenticeships and projects to the value of R1 206 476.

The merSETA's CEO, Dr Raymond Patel, thanked the stakeholders for their active participation over the past financial year.

He said through science, technology, engineering and mathematics, the merSETA contributed to sustainable human development.

“We have helped to build the people that build South Africa,” he said.

Issued by: Sibongiseni Zinjiva Ka-Mnguni;

Marketing & Communications Office

The merSETA House, 95 7th Avenue, Cnr Rustenburg, Melville, Johannesburg

E-mail: smnguni@merseta.org.za



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