



National Skills Development Plan 2030

The National Skills Development Plan (NSDP) has been crafted in a policy context of the National Development Plan (NDP) and the White Paper on Post School Education and Training (WP-PSET).

The NSDP is key to enabling business, labour, and government to contribute towards economic growth, employment creation and social development. The entire post-school system has been the focus of a significant and radical improvement in the quality of education and training.

The National Development Plan (NDP) calls for such an improvement in the quality of education and training to enhance the capabilities of people so that they are active participants in developing the potential of the country. The vision implicit in this is that by growing the economy faster, more people will be drawn into and will create work; thereby raising living standards for all, but particularly of the poor.

The NSDP is informed by this vision and proposes that an understanding and determination of the demands of the labour market and of national priorities must be interpreted into appropriate interventions from education and training institutions.

The NSDP and the new **SETA Landscape** will be ushered in on 1 April 2020. This new dispensation will bring about changes with regards to the leadership and governance in Skills Development. **SETAs** will remain an authoritative voice of the labour market and experts in their respective sectors. For the country to achieve high levels of economic growth and address unemployment, poverty and inequality, social partners must work together to invest in skills development in order to achieve the vision set in the NSDP of an educated, skilled and capable workforce for South Africa.

Vision of the NSDP

"An Educated, Skilled and Capable Workforce
for South Africa".

Purpose of the NSDP

Ensure that South Africa has adequate, appropriate and high quality skills that contribute towards economic growth, employment creation and social development. NSDP derives from the broader plan of government, namely the National Development Plan (NDP), which aims to put in place the framework whereby we 'build the capabilities our citizens to make our future work'.

The NDP notes that "several challenges require attention, including a critical shortage of skills, a complex intergovernmental system, high levels of corruption, weak lines of accountability, inadequate legislative oversight and a long history of blurring the lines between party and state.

The skills development system is demand led and its intention is to look at skills levels through a lens that talks to:

- **Economic growth at large**
- **Structure of the economy** – ownership patterns; growth patterns etc.
- **Labour market** – current supply; current and future demand; gaps etc.

Mission of the NSDP

Improve access to occupations in high demand and priority skills aligned to supporting economic growth, employment creation and social development, whilst also seeking to address systemic considerations.

NSDP Principles**Locating the NSDP within an integrated PSET system**

- Promote greater levels of integration within the PSET system.
- Specific focus on the coordination of planning, funding, M&E and reporting.
- Focus on skills levy institutions.

Contributing to the country's socio-economic development objectives

- Contribute to strategies and priorities of various sectors of the economy.
- Emphasise inclusive growth and employment generation as set out in the NDP, the NGP and IPAP.

Advancing an equitable and integrated system

- Support transformational and redress imperatives.
- Ensuring skills development interventions reach those already employed and assist new entrants gain work experience.

Greater inclusivity and collaboration will be promoted

- Collaboration through partnerships within the public sector as well as between the public and private sectors to support effective skills development.
- Focus on quality education and training provision and articulation between programme and qualification offerings.
- Strong focus on workplace-based learning.
- Effective and meaningful stakeholder engagement.

Focusing on support system for learners and employers

- Ensure public awareness of when and how to apply for programmes (access to simplified processes).
- Improve efficiency and effectiveness.
- Use technology to standardise processes across skills levy institutions.
- Increase stakeholder involvement through on-line portals.
- Increase accuracy of data analysis.
- Standardise stipends during training.

Strong emphasis on accountability

- Improve governance oversight and M&E mechanisms.
- Institute mechanisms to ensure actions are taken based on findings from M&E systems.
- Review the system where obstacles prevent intended outcomes.
- Introduce mechanisms for instructions to SETAs by the Minister.
- Review the SETA Standard Constitution to strengthen governance and accountability mechanisms.

Understanding skills demand

- Analyse sectoral growth and development plans and labour market information resulting in an evidence-based understanding.
- Actively involve stakeholders.
- Partnerships and collaboration with the HEI and research institutions are central for evidence-based understanding of skills demand and supply.
- SETAs to continue gathering credible information from workplaces to understand the demand for skills and occupations.
- Analyse data to verify occupations in collaboration with employers and labour, across various groups.
- Research and innovation is a key component of the NSDP.

Steering supply: qualifications and provision

- Quality Councils will ensure the design, development and maintenance of occupational standards and qualifications.
- Education and training institutional enrolment plans will be aligned to occupational standards and qualifications coupled with resources to support the improvement of the throughput and quality of programmes.
- Skills levy institutions will play an intermediation to encourage partnerships between institutions and workplaces and between public and private providers.

Steering supply: funding mechanisms

- Levy funding will be aligned with fiscus funding to design and implement workplace-based learning incentives to increase enrolments and throughput.

NSDP Outcomes**OUTCOME 1:****Identify and increase production of occupations in high demand**

- National enrolment and resource ratios for the high, intermediate and elementary skills level.
- Targets for priority occupations.
- Targets for priority qualifications.
- Identification of interventions required to improve enrolment and completion of priority occupations.

OUTCOME 2:**Linking education and the workplace**

- Opening of workplace based learning opportunities increased.

OUTCOME 3:**Improving the level of skills in the South African workforce**

- To increase workers participating in various learning programmes to a minimum of 80% by 2030, to address, critical skills required by various sectors of the economy, to transform workplaces, improve productivity and to improve economic growth prospects in various sectors of the economy.

OUTCOME 4:**Increase access to occupationally directed programmes**

- Occupational qualification developed by the Quality Councils.
- Increase access for Intermediate and high level skills.

OUTCOME 5:**Support the growth of the public college system**

- Support the TVET Colleges.
- Support the CET Colleges.

OUTCOME 6:**Skills development support for entrepreneurship and cooperative development**

- To increase skills development support for entrepreneurial activities and the establishment of new enterprises and cooperatives.

OUTCOME 7:**Encourage and support worker initiated training**

- Skills levy institutions will work with the federations/trade unions in their sectors in identifying the required skills needs, especially in better understanding the sectors, and implement the relevant interventions.

OUTCOME 8:**Support career development services**

- Career development services accessible to all especially in rural areas and targeted beneficiaries.
- Prioritise the support of career development services related to the sector and government priorities.

Sector Education and Training Authorities**Scope of the SETAs**

- Understanding demand and signalling implications for supply.
- Steering the system to respond to skills supply.
- Supporting the development of the institutional capacity of public and private education and training institutions.
- Performing system support functions and managing the budgets and expenditure linked to SETA mandate.

Institutional arrangements of the SETAs

- SETAs will have **no limited lifespan**, but a mechanism to address non-performance will be established.
- Where required, the Minister will introduce institutional reviews, as the socio-economic policy environment is not static.
- **SETAs demarcation**, amongst others, will be based on industrial classification, value chain and financial viability.
- Establishment of **Shared Services**, where practically possible.

SETAs

- SETAs will continue to have stakeholder driven governing bodies (**Accounting Authorities/AA**).
- Representatives will continue to be appointed by the Minister for a period of a five year term.
- The Minister will stipulate a **maximum number of AA members**.
- The AA will continue to have governing powers and steer the sector in terms of the scope (mandate and functions) of the SETA whilst the management of the SETA will focus on operational and administrative roles.

Executive Authority (EA) and the Department

- Oversight by the EA rests on the prescripts of the Public Finance Management Act, whilst the Skills Development Act will remain an applicable and specialised Act, -

where roles of the EA and the Department will be further elaborated and through other relevant skills development regulations to be introduced in alignment with NSDP.

Quality assurance function

- Quality assurance functions carried out by SETAs including the workplace and undertaken by the National Artisan Moderating Body will be effectively integrated into the Quality Council for Trades and Occupations (QCTO).
- The funding allocation from the fiscus and skills levy will be reviewed to ensure QCTO fully carries out its legislative mandate.

Planning, reporting and accountability

- The planning cycle will be aligned with the **Medium-Term Strategic Framework (MTSF) 5-year planning cycle and the MTEF 3-year budget cycle**. Thus skills levy institutions and the QCTO will establish their 5-year priorities against defined outcomes, a 3-year budget against this plan and submit Annual Performance Plans (APPs) in accordance with the requirements of the Public Finance Management Act.
- These plans will be reviewed within the context of the DHET plans for the PSET system.
- The **NSA will undertake a 3-year review** of the contribution that skills levies institutions make to the intended objectives of the system and on this basis the system determines adjustments to the next 3-year MTEF budget against its 5-year MTSF plan and priorities. These will then be reviewed for the extent of alignment to the performance outcomes and ultimately to the NSDP.
- Standardised timelines across SETAs will be set with clear milestones for various activities, including but not limited to inviting applications with regards to discretionary grants amongst others.
- There will be an increased **standardisation of processes** related to the key functions of the SETAs.
- Service Level Agreements will be guided by the NSDP priorities, where required will be multi-year agreements.

Funding allocation

- The levy will remain at **1% with 20 %** allocated to the NSF and **80% to SETAs**.
- The **Mandatory and Discretionary Grant and Administration budget** will be reviewed to support the implementation of the NSDP.
- The NSA will conduct regular evaluation on the impact of skills development levies.

National Skills Fund

- Continue to receive **20% of the skills development levy**.
- Fund and scale-up the training of unemployed people and work seekers for transition into employment.
- Support efforts of other partners in addressing the needs of the poor in a manner that supports the equity imperatives outlined in this document.
- Focus on skills development offered through the CET Colleges, prioritising the not in employment, education and or training (NEET), and support wider government strategies. It is anticipated that government departments and agencies will partner with the NSF in this area of work.
- Support the research into the PSET system as well as to institutional development.
- Act as a catalytic fund to encourage institutional development and improved provision system wide.

National Skills Authority

- The NSA will focus on M&E of the implementation of the NSDP.
- The NSA will remain a social partner authority.
- The nature of work of the NSA will also require the NSA to be an expert body in amongst others, M&E process, collaborating and partnering with credible research institution.
- The NSA will continue to provide strategic advice towards an improved national skills development system.
- The NSA role will include advising the Minister on national skills development policy, national skills development strategy and reporting.
- The NSA will have an oversight role of promoting strategy improvement in conceptualization, strategy management, strategy governance, strategy administration, strategy implementation, strategy M&E and reporting.

Role of Social Partners and Stakeholders

- Social partners will continue to play an active role in SETA AAs and in the NSA, these roles will be further elaborated in the Act and relevant skills development Regulations with key responsibility for the implementation of the NSDP.
- Social partners remain at the heart of the NSDP.