



THE REPORT OF THE INTER CHAMBER INDUCTION SESSION OF merSETA THAT WAS HELD IN THE FABIA BOARDROOM, EMPERORS PALACE CONVENTION CENTRE, 64 JONES RD, O.R. TAMBO, KEMPTON PARK ON THURSDAY, 11 OCTOBER 2018 AND FRIDAY, 11 OCTOBER 2018 AT 08:30

1. OPENING AND WELCOMING PRESENTATION: merSETA Acting CEO: Mr. Wayne Adams

The ACEO in opening the two day Inter Chamber Induction Session welcomed all the delegates present. He indicated the Manufacturing and Engineering sector of the economy constitutes the engine of industrial development in SA and continues to play an important role in economic growth, employment and training despite the global and national economic setbacks. The recent Job Summit that was held on 4 and 5 October 2018 was anticipated to yield decisive plans to stem the flow of jobs in the formal sector and the BRICS Skills Challenge that started on 1 October 2018 showed that SA was not lagging in training the youth in future skills. Major investments were in addition being made in the sector by several automotive companies and the dti in the Metal and Engineering sectors. The initiatives were testament to the proud productive nature of the SA economy.

The Minister appointed the new AA on 1 April 2018 under the leadership of a new Chairperson Ms. L. Letsoalo and 2 Deputy Chairpersons representing Organised Labour and Organised Employers being Mr. Xolani Tshayana and Ms. Jeanne Esterhuizen respectively. The Chamber Committees representing the sub sectors in the industry took Office from 1 October 2018. The AA is represented by an AA member each representing Organised Labour and Organised Employers in each Chambers.

The sub sectors have potential to stimulate growth in the mer - Sectors. merSETA conducted research that shows significant investment and skills development will be needed across various job categories particularly in new material design, electronics and mechatronics to respond to the rapid technological changes. Process technology will be affected by the rise of machine learning and artificial intelligence and automation is likely to accelerate. Job categories will become increasingly vulnerable to disruption and even displacement and upskilling, reskilling and multiskilling of the current workforce will be required to keep pace with the demands of a technological disruptive industry and to curtail job losses. Workers need to be equipped with skills that will allow agility within an ever changing labour market. It emphasised the importance of lifelong learning in a changing world.

Industry 4.0 is expected to cause a labour market transition that will demand training and retraining. The skills mismatch between labour demand and supply will become a thing of the past as the demand for specialised knowledge grows at a faster pace. The concept of just the right amount of education will cease as apprentice curricula will have to rapidly adapt to meet the demand for specialised knowledge. Research was conducted to better understand the skills development requirements in the informal sector, SMEs and cooperative sectors. Fresh financial instruments will have to be established or created to enable smaller specialised manufacturing enterprises to enter the mainstream economy.

merSETA's sub sectors will have to work ever closer with the organisation to naturalise the industrial revolution. Chambers, therefore, when considering priorities for AWP's must consider what was planned previously, what is being planned to be achieved for the current FY and what is planned for the remaining period of the SETA licence and bring to bear sub sector insights to help guide and focus the work of Chambers and the merSETA.

2. ATTENDANCE REGISTER

Members	Structure	11/10	Apology	12/10	Apology
Auto Chamber					
Mr. X. Tshayana	Deputy Chairperson: AA: Organised Labour	✓			✓
Dr. L. Lee	Organised Employers		✓		✓
Ms. M. Lebona	Organised Labour	✓		✓	
Ms. S. Visagie	Organised Employers	✓		✓	
Mr. J. Lekgoro	Organised Labour		✓		✓
Mr. S. Motshoane	Organised Labour	✓			✓
Mr. W. Osborne	Organised Employers		✓		✓
Ms. N. Cele	Organised Employers	✓		✓	
Mr. P. Howe	Organised Employers		✓		✓
Mr. T. Mogoroe	Organised Labour		✓	✓	
Mr. T. Mohlala	Organised Labour	✓		✓	
Mr. S. Mzobe	Organised Labour		✓		✓
Mr. M. Njikelana	Organised Employers	✓			
Mr. V. Mkhungo	Organised Labour		✓		✓
Mr. G. Ntobela	Organised Labour	✓		✓	
Mr. R. Swarts	Organised Labour	✓		✓	
Ms. C. Berichon	Organised Employers		✓		✓
Mr. B. Salters	Organised Employers	✓		✓	
Mr. S. Peter	Organised Employers	✓		✓	
Ms. S. Mansoor	Organised Employers		✓		✓
Ms. M. Bala	Organised Employers	✓			✓
Metal Chamber					
Mr. S. Gina	Organised Labour	✓		✓	
Ms. M. Mulholland	Organised Employers		✓		✓
Ms. M. Lebona	Organised Labour	✓		✓	
Mr. D. Uithaler	Organised Employers	✓		✓	
Ms. E. Grace	Organised Employers	✓		✓	
Mr. J. Swarts	Organised Labour		✓		✓
Ms. W. Selo	Organised Labour	✓		✓	
Mr. V. Singh	Organised Employers		✓		✓
Ms. C. Uys	Organised Employers		✓		✓
Ms. N. Nkomonde	Organised Employers	✓		✓	
Mr. S. Naicker	Organised Employers		✓		✓
Mr. B. Gumbi	Organised Labour	✓		✓	
Mr. N. Hlengwa	Organised Labour		✓		✓
Mr. J. Riekert	Organised Employers		✓		✓
Mr. B. Tshabalala	Organised Labour		✓		✓
Mr. P. Chetty	Organised Employers		✓		✓

Mr. N. Zulu	Organised Labour	✓		✓	
Ms. M. Kyster	Organised Employers		✓		✓
Mr. G. Mpanza	Organised Labour	✓		✓	
Mr. J. Mamasendi	Organised Labour	✓		✓	
Motor Chamber					
Ms. J. Esterhuizen	Organised Employers		✓		✓
Ms. T. Phiri	Organised Labour	✓		✓	
Mr. E. Kubeka	Organised Labour		✓		✓
Mr. A. Dunn	Organised Employers	✓		✓	
Ms. M. Lebona	Organised Labour	✓		✓	
Mr. P. Verryne	Organised Labour	✓		✓	
Mr. L. van Huyssteen	Organised Employers		✓		✓
Ms. A. Bogner	Organised Employers		✓		✓
Ms. I. Botha	Organised Employers	✓			✓
Ms. C. Derbyshire	Organised Employers	✓		✓	
Mr. M. Sefume	Organised Labour	✓		✓	
Mr. I. Boshomane	Organised Employers	✓		✓	
Mr. F. Luxomo	Organised Labour	✓		✓	
Ms. M. Engelbrecht	Organised Labour	✓		✓	
Mr. F. Burger	Organised Employers	✓		✓	
Mr. Y. Abrahams	Organised Labour	✓		✓	
Ms. J. Wedgewood	Organised Employers		✓		✓
Mr. P. Cells	Organised Employers	✓		✓	
Mr. G. Leith	Organised Employers	✓		✓	
Mr. P. Ngubane	Organised Labour		✓		✓
Mr. M. Davids	MIBCO	✓		✓	
New Tyre Chamber					
Mr. N. Rademan	Organised Employers	✓		✓	
Mr. A. Chirwa	Organised Labour		✓		✓
Mr. L. Bosch	Organised Employers	✓		✓	
Ms. A. Sawyer	Organised Employers		✓		✓
Mr. D. Selala	Organised Labour	✓		✓	
MR. J. Delpont	Organised Labour	✓		✓	
Ms. T. Mdunge	Organised Employers	✓		✓	
Mr. M. Hlatshwayo	Organised Labour		✓		✓
Mr. T. Antoni	Organised Labour		✓	✓	
Mr. V. Mkhungo	Organised Labour		✓	✓	
Mr. N. Khumalo	Organised Employers	✓			✓
Mr. M. Maya	Organised Employers		✓		✓
Ms. C. Williams	Organised Employers		✓		✓
Mr. X. Maloni	Organised Labour	✓		✓	
Mr. V. Dlala	Organised Employers	✓		✓	
Mr. P. Khoza	Organised Labour	✓		✓	
Mr. W. Ntantiso	Organised Employers	✓		✓	
Ms. M. Lebona	Organised Labour		✓	✓	

M. D. Maqwili	Organised Labour	✓		✓	
Mr. I. Smith	Organised Labour	✓		✓	
Plastics Chamber					
Mr. L. Coetzee	Organised Labour	✓			✓
Ms. K. Bhana	Organised Employers	✓			✓
Ms. N. Damane	Organised Employers		✓		✓
Ms. G. Barnard	Organised Employers		✓		✓
Mr. D. Cupido	Organised Employers		✓		✓
Ms. M. Lebona	Organised Labour	✓		✓	
Ms. M. Mogorosi	Organised Labour	✓		✓	
Mr. E. Mothibedi	Organised Labour		✓		✓
Mr. B. Sauls	Organised Employers		✓		✓
Mr. S. Pillay	Organised Employers		✓		✓
Mr. S. Sigabi	Organised Labour	✓		✓	
Ms. Selepe	Organised Labour	✓		✓	
Ms. W. Seloi	Organised Labour	✓		✓	
Mr. S. Tseledi	Organised Labour		✓		✓
Mr. M. Tshiu	Organised Employers	✓		✓	
Mr. T. Webb	Organised Employers		✓		✓
Mr. S. Woodhall	Organised Employers	✓		✓	
Mr. J. Swarts	Organised Labour		✓		✓
Independent Committee Members					
Ms. K. Mzozoyana	ARC	✓		✓	
Mr. C. Nciki	ARC	✓		✓	
Mr. M. Swafo	HRRC	✓		✓	
Ms. J. Makapan	HRRC	✓		✓	
Ms. B. Masinga	FGC	✓		✓	
Mr. M. Noge	FGC	✓			✓
By Invitation					
Mr. John April	QCTO	✓			
Mr. P. Makgopela	Ayoba Training		✓	✓	
Ms. M. Nxumalo	Ayoba Training		✓	✓	
IN ATTENDANCE: REPRESENTING merSETA					
Mr. W. Adams	Acting Chief Executive Officer	✓			
Ms. D. Mjikeliso	Chief Financial Officer	✓			✓
Ms. S. Mokhobo - Nomvete	Strategy and Research Executive	✓			✓
Ms. E. van der Linde	Corporate Services Executive		✓		✓
Ms. S. Pretorius	Acting Chief Operations Officer	✓			✓
Ms. H. Brown	Senior Manager: Strategy and Research	✓		✓	
Mr. H. Morapedi	Chamber Manager	✓		✓	
Ms. M. Malia	Executive Assistant	✓			✓
Mr. P. Motsepe	Programme Director	✓		✓	
Ms. L. Cosby	Research and Skills Planning Manager	✓			✓
Mr. K. Ntsoko	Manager: Quality Management Systems	✓		✓	

Mr. M. Manda	Manager: Knowledge Management	✓		✓	
Ms. N. Sonjica	Chamber Coordinator	✓		✓	
Mr. S. Gumede	Chamber	✓		✓	
Mr. S. Seroto	MerSETA	✓		✓	
Ms. F. Scherman	MerSETA	✓		✓	
Mr. M. Nyathi	MerSETA	✓		✓	
Ms. T. Mbambo	MerSETA	✓		✓	
MS. T. Malungane	MerSETA	✓		✓	
Mr. P. Chuene	MerSETA	✓		✓	
Ms. S. Msomi	MerSETA	✓		✓	
Mr. T. Mokwena	MerSETA	✓			✓
Ms. N. Hlatswayo	MerSETA	✓		✓	
Ms. C. Spelman	MerSETA	✓			✓
Ms. O. Netsianda	MerSETA	✓			✓
Ms. T. Mabuk	MerSETA	✓			✓
SECRETARIAT					
Ms. L. Kelly	Secretariat	✓	✓		

ACRONYMS

Acronym	Description
AA	Accounting Authority
AATP	Accelerated Artisan Training Programme
ABET	Adult Basic Education and Training
ACEO	Acting Chief Executive Officer
APP	Annual Performance Plan
AQP	Assessment Quality Partner
ARPL	Artisan Recognition of Prior Learning
ATR	Annual Training Report
AWP	Annual Work Plan
BAIC	Beijing Automotive Industry Corporation
B-BBEE	Broad-Based Black Economic Empowerment
BRICS	Brazil, Russia, India, China and South Africa
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CEP	Community of Expert Practitioners
CETC	Community Education and Training Colleges
COO	Chief Operations Officer
CS&CO	Company Secretary and Compliance Officer
CSE	Corporate Services Executive
DCS	Department of Correctional Services
DG	Discretionary Grant
DHET	Department of Higher Education and Training
DoL	Department of Labour
DPME	Department of Planning Monitoring & Evaluation

DQP	Development Quality Partner	
dti	Department of Trade and Industry	
EISA	External Integrated Summative Assessment	
ETQA	Education and Training Quality Assurance	
ExCo	Executive Committee	
FY	Financial Year	
GED	Gauteng Education Department	
IATF	International Automotive Task Force	
ICT	Information and Communications Technology	
IPAP	Industrial Policy Action Plan	
M&E	Monitoring and Evaluation	
mer-Sectors	Manufacturing, Engineering and Related Services Sectors	
merSETA	Manufacturing, Engineering and Related Services Sector Education and Training Authority	
MG	Mandatory Grants	
MIBCO	Motor Industry Bargaining Council	
MoA	Memorandum of Agreement	
NAD	National Artisan Development	
NADQAC	National Artisan Development Quality Assurance Committee	
NAMB	National Artisan Moderation Body	
NDP	National Development Plan	
NDPW	National Department of Public Works	
NGO	Non - governmental Organisation	
NGP	New Growth Path	
NLRD	National Learners' Records Database	
NPO	Non Profit Organisations	
NQF	National Qualifications Framework	
NQP	National Quality Partner	
NSA	National Skills Authority	
NSDMS	National Skills Development Management System	
NSDS	National Skills Development Strategy	
NSF	National Skills Fund	
NSFAS	National Student Financial Aid Scheme	
NT	National Treasury	
OEM	Original Equipment Manufacturing	
OQLMS	Occupational Qualification Learner Management System	
OQSF	Occupational Qualification Sub Framework	
OTP	Office of the Premier	
PFMA	Public Finance Management Act	
PoE	Portfolio of Evidence	
POPI ACT	Protection of Personal Information Act	
PSET	Post School Education and Training	
QA	Quality Assurance	
QCTO	Quality Council for Trades and Occupations	
RPL	Recognition of Prior Learning	
SA	South Africa(n)	



SAQA	South African Qualifications Authority	
SDA	Skills Development Act	
SDF	Skills Development Facilitator	
SDP	Skills Development Partners	
SEDA	Small Enterprise Development Agency	
SETA	Sector Education and Training Authority	
SLA	Service Level Agreement	
SME	Small and Medium Sized Enterprise	
SP	Strategic Plan	
SRE	Strategy and Research Executive	
SSP	Sector Skills Plan	
TTC	Trade Test Centre	
ToR	Terms of Reference	
TVETC	Technical and Vocational Education and Training Colleges	
WSP	Workplace Skills Plan	
YES	Youth Employment Service	

3. PRESENTING THE merSETA STRATEGY: CURRENT AND FUTURE: Strategy and Research Division:
SRE: Ms. Sebolelo Nomvete

1. Format

High level discussions have been taking place over the past 2 years to form an understanding of the future impact of advanced manufacturing and industry 4.0 and the obligations of merSETA to respond to government's priorities.

2. Strategy Formulation Process

The key strategy document of the SETA is the SSP. Section 10 (1) (a) and (b) of the SDA determines that each SETA must develop a SSP and an implementation programme and must conclude a SLA with the Director General of DHET. The SSP in terms of other applicable regulations must align with national strategic human resource and skills development priorities that are encapsulated in policy documents like the NDP, NGP and IPAP. The NT - and Grant Regulations stipulate the SP, APP and the SSP must align. The SSP provides the line of sight in terms of the areas of focus and achievement for the next 5 years.

3. What is a SSP?

The SSP is a report developed in consultation with stakeholders in which the Chambers play a critical role. It responds to the needs of employers and workers and to government priorities. It indicates the skills needs in terms of supply, value chains and the change in the economic environment of the mer – Sector. It is informed by the WSP and ATR, emerging and future skills which are based on an analysis of emerging economic and labour market drivers and the change drivers implied in the key national strategies for economic growth. It links to the skills that are in demand i.e. the occupations in demand and the gaps occasioned by the changing environment

and scarce skills. It is also used to identify programmes that must be introduced and to what it is the SETA must do in response to government priorities. The SSP must be user friendly, support regional and employer plans and inform allocation of resources and funding priorities.

4. The current SSP

The SSP is divided in chapters. Chapter 1 provides a sector profile outlining the scope of coverage; Chapter 2 identifies change drivers for skills demand and supply like technological innovation, global and local environment factors, signals and indicators in government policies; Chapter 3 is an analysis of skills supply and demand based on research e.g. the occupations in demand, skills gaps and skills already supplied into the labour market and economic environment; Chapter 4 identifies partnerships and Chapter 5 provides direction for the SETA identifying priority focus areas for skills development given the environment in terms of the economy, labour market, research and consultations.

5. The SP and APP

The SP provides a 5 year horizon regarding the change that is required and what it is that must be achieved. The APP is a tool used to measure whether the change identified in the SP is being achieved. The SLA with the Director General guides the performance of the SETAs which is reported to parliament. The AA holds the CEO of the SETA accountable to perform against the SLA and the APP and the CEO holds the respective divisions accountable against operational plans that link to the APP and the SLA with the Director General.

6. Monitoring and Evaluation

Impact is measured i.e. monitored and evaluated to determine whether the SETA is achieving the objectives in the SP and the SSP.

7. Questions and Comments

7.1 Various Chambers: Organised Labour: Ms. M. Lebona: The SSP responding to the value chain: Sub sectors have been struggling with identifying the value chain and the value chain can be a job driver. It should be a focus area.

7.2 Various Chambers: Organised Labour: Ms. M. Lebona: The SSP should address the needs of employers, employees and government but the employees are struggling to get their needs included in the WSPs meaning that since the SSP is informed by the WSP the employee needs are not included as a priority in the SSP as it is not included in the WSP.

Response 1: merSETA: merSETA is aware of the challenges regarding the WSPs in that it does not necessarily contain the employees' needs but merSETA also uses other data sources like the supply and demand research conducted during 2017 and through the Chamber processes where organised labour and employers are equally represented.

Response 2: Auto Chamber: Organised Employers: Mr. M. Njikelana: Not all the demands

can be put forward equally for all the sub sectors and be addressed equally. Some are failing for reasons such as productivity issues. Labour and Employers at company level develop the WSPs taking into consideration compromises and how the company must move forward.

- 7.3 Metal Chamber: Organised Labour: Mr. G. Mpanza: SA is faced with unemployment, inequality and poverty issues. What is the historical overview, what are the practical challenges and what are the focus areas going forward to address the challenges?

Response: The question is noted but the presentation of today is to identify a starting point and to provide an understanding of what merSETA is about.

- 7.4 Metal Chamber: Organised Labour: Mr. S. Gina: How does the discussion in the AA of SA exporting skills into the Region and globally link to the SSP?

Response: The discussion in the next session will provide clarity.

- 7.5 Motor Chamber: Organised Labour: Mr. M. Sefume: Employers when preparing the WSP continuously indicate employees' needs are not priority which must be addressed considering the WSP is informing the SSP.

Response: The WSP is in the domain of the company. merSETA works on an assumption that the proper process was followed. It could be an issue the Chambers can address.

- 7.6 NUMSA: The interpretation of the expectation of SETAs has been discussed but the problem is that although the grant regulations prescribe Labour SDFs must sign the WSP to show consultation has taken place companies are getting funding even if the SDF did not sign. Labour's request for information was declined apparently because the POPI Act prevents it.

Response: The concern could be discussed in the Commissions.

8. Strategic thinking of the AA and the direction as per the updated SSP

8.1 Strategic thinking of the AA

The effects of advanced manufacturing and industry 4.0 and how the SETA must respond to government's strategies have become increasingly clearer. The discussion at the AA strategy session in July of a specific year finds expression in the APP of the following FY but some of the areas that emanated from the July 2018 AA Strategic Planning session are already being addressed e.g.

8.1.1 addressing transformation whilst meeting economic demand

8.1.2 clarifying roles to hold people accountable

- 8.1.3 developing a social media strategy to extend the current reach
- 8.1.4 sourcing credible and reliable data to do proper planning
- 8.1.5 researching the changing nature of work and production to understand that whilst merSETA is the SETA for artisan development that diversification must be investigated because of the change in production
- 8.1.6 interrogating the composition of Chambers and whether the New Tyre Chamber as being involved in the manufacturing of an automotive component should instead be incorporated as part of an Automotive Component Chamber yet to be established
- 8.1.7 expanding career guidance considering occupations and world of work are changing and making it available to people who are already in employment
- 8.1.8 building international relationships to gather additional knowledge from other countries that could feed into building innovation models.

Areas that have been identified that must begin to be addressed are:

- 8.1.9 exploring innovative ways to deliver skills like investigating whether technologies could be leveraged as a way of delivering skills development programmes and accordingly augmenting the existing reach. See discussion of increasing agility under item 8.3.8
- 8.1.10 introducing an eco-system approach that emerged from the research conducted in the informal and SME sectors in that delivering only skills will not work as the SME or informal sector need to be supported such as with funding or by other government agencies providing business facilities to collectively build sustainable SMEs or corporatives. See review of the funding model under item 8.3.2
- 8.1.11 considering structural transformation i.e. strengthening support of key priority areas such as schemes under IPAP and leveraging the schemes to conjointly with merSETA incentives assist in the area of deindustrialisation
- 8.1.12 supporting existing entrepreneurs to emerge providing assistance at all levels i.e. composition, ownership, management and issues of control
- 8.1.13 leveraging the B – BBEE score card for skills development in the sector
- 8.1.14 promoting careers that find expression in townships and rural economies
- 8.1.15 unpacking the requirements for skills for the future and addressing it
- 8.1.16 creating career trajectories for retrenched workers through exploring opportunities in other areas that will involve career development and career advice

- 8.1.17 forging strategic partnerships with other SETAs, government departments like the dti and agencies like the CSIR to respond to cross cutting national imperatives such as the green economy and digital skills
 - 8.1.18 addressing governance and resourcing i.e. the organisational structure, grants system, internal capability of officials and strengthening communication. merSETA is already reviewing corporate governance policies, improving internal controls and risk management, strengthening planning that has resulted in better skills planning and an improved SSP.
- 8.2 Direction as per the updated SSP
- 8.2.1 The SSP has been approved but evidence based decision making; consultation and good governance; clear role delineation between the AA, other governing structures and operations; partnerships; centrality of work integrated learning; utilisation of education, training and skills development in the structure of the entire PSET provisioning system the advantage being that it provided opportunity to the SETA to have reach in the rural areas and changing the one size fits all approach to a more differentiated approach to match the needs are still considered as key principles.
 - 8.2.2 Priority actions in the SSP include matching skills development with automation of production processes; recognising transformation at all occupational levels; implementing skills development in the informal sector; developing future skills to match the circular economy to advance manufacturing and industry 4.0 and planning skills development to address government strategies.
 - 8.2.3 The focus going forward is on mega projects i.e. merSETA working together with government departments to develop large scale skills development interventions; conducting curriculum research considering occupations are changing and providing career development advice and support.
 - 8.2.4 Projects that have already been introduced include the Black Female training programme; bursaries for disadvantaged individuals; a partnership with SEDA for SMEs and corporative development, a research project to identify the need of black industrialists to address the IPAP requirement in this regard, the green economy with a pilot study having been introduced in the township; supporting industry 4.0 through partnerships with universities that include the project with East Cape Midlands Technical College to set up training facilities, lecturer development and addressing transformation; supporting centres of specialisation with curriculum and lecturer development, forging industry company and college partnerships; BRICS future skills projects and expanded modernised career guidance.
- 8.3 Questions/Comments
- 8.3.1 Plastics Chamber: Organised Labour: Mr. L. Coetzee: merSETA must shorten the

reaction time to challenges in the industry sectors and sub sectors.

- 8.3.2 Metals Chamber: Organised Labour: Mr. C. Gina: merSETA needs to investigate the use of ICT to deliver education and skills planning wider and faster. See discussion under item 8.3.8
- 8.3.3 Auto Chamber: Organised Labour: Mr. X. Tshayana: NSDS III, objective 4.6 is prescriptive regarding SETAs funding the needs of trade unions and their members. merSETA has put aside funding for this purpose but the funding may not be disbursed as training committees at plant level were not reflecting it in the WSP.
- 8.3.4 Auto Chamber: Organised Labour: Mr. X. Tshayana: Chambers, after the induction will revert to convening normal chamber meetings. Meetings should however be customised to, in terms of merSETA's strategic plan, refer directly to the needs of the different chambers to identify the respective chambers' priorities in the AWP's and to determine the extent to which the needs could be accommodated within the current funding. See discussion under item 8.3.2.

Response: The Chambers will start with the discussion of the AWP. It is based on a result based management planning framework that outlines the outcomes. It empowers participants to align with the line of sight e.g. addressing industry 4.0 implement activities that relate to reskilling and upskilling workers.

9. merSETA: Organisational Structure

The AA is accountable to the Minister of DHET. It consists of 15 members including the Chairperson. It establishes committees including the Chambers and is responsible for recommending who must be appointed as CEO. The CEO is the communication and the engagement vehicle in terms of governance and the rest of the organisation. The organisation comprises 4 divisions being Finance headed by the CFO that includes SCM, contract management, financial management and reporting and ICT; Operations headed by the COO that includes programme implementation, administration, QA and partnerships and client services; Strategy and Research headed by the SRE that includes skills planning, labour market research, applied research and innovation projects, chamber management, knowledge management, quality management and M&E functions; Corporate Services headed by the CSE that includes support services like HR, marketing and communication and Governance headed by the CS&CO serving the AA, committees and executive management in terms of legal and compliance matters. The organisation has several regional offices.

10. Current SP and APP

10.1 The strategic objectives of the SP:

The SP is informed by constitutional imperatives; policy imperatives that include issues of beneficiation, advanced manufacturing, strategic interrelated projects, operation Phakisa, government planning around growing SMEs and corporatives, the green economy, circular

economy and industry 4.0; different legislative mandates and national, provincial and local government planning framework strategies. The SP guides the:

- 10.1.1 vision i.e. to be leaders in closing the skills gap, the mission i.e. to increase access to high quality relevant skills development and training opportunities to support economic growth to reduce inequalities and unemployment and the values i.e. we care, we belong we serve
- 10.1.2 5 year outcome goals being increased efficacy of the merSETA, improved responsiveness of research to the transformation and transitional needs of the sector and a skilled and capable workforce for the manufacturing sector. Skilling and upskilling must therefore be directed to attaining the 5 year objectives
- 10.1.3 budget programme structure provided by the DHET and informs the APP with indicators to measure the change the SETA wants in 5 years' time.

10.2 The strategic objectives of the APP

The APP objectives in terms of:

- 10.2.1 programme 1 include 3 objectives being improved financial and corporate management; improved quality of organisational planning, performance and monitoring and knowledge management as institutionalised in the merSETA. The 2019/20 APP has 4 strategic objectives the 4th one being enterprise content management and adding governance and strategic leadership to the 1st objective of improved financial and corporate management
- 10.2.2 programme 2 includes with regards to skills planning, publication of research products that inform cutting edge solutions in the sector
- 10.2.3 programme 3 includes with regards learning programmes and projects increasing contributions to employment and growth opportunities through skills facilitation
- 10.2.4 programme 4 includes with regards QA increasing responsiveness to the mer – Sector with provision of sector endorsed occupational qualifications and part qualifications and increasing throughput of learners in occupational programmes. A further objective was added being diversified career development, advice and guidance.

10.3 Comments/ Questions

- 10.3.1 merSETA research showed the circular economy, that is a driver for skills development, would have to be included in the SSP for implementation through the Plastics Chamber.

10.3.2 merSETA took the initiative, to in terms of programme 3 as it relates to SME, Township and Village enterprises and corporatives, co - opt NPOs and NGOs to assist but the internal systems have not been changed to accommodate the changes. The NPOs and NGOs have different compliance requirements which, unless the respective checklists are changed, cannot be adhered to. It is proposed that the approach should not be one of one size fits all.

RESOLVED

1. Metal Chamber: UASA: Mr. G. Mpanza: That the question of SA being faced with unemployment, inequality and poverty issues be tabled in the appropriate forum for consideration providing an historical overview, identifying practical challenges and focus areas going forward to address challenges.
2. That the issue of employers when preparing the workplace skills plan continuously indicating employees' needs are not priority and merSETA response that the workplace skills plan is in the domain of the company and that merSETA works on an assumption that the proper process was followed be addressed in the Chambers.
3. That effect be given to the NSDS III, objective 4.6 prescript i.e. SETAs funding the needs of trade unions and their members by investigating whether training committees at plant level include the needs in the workplace skills plans.
4. APP Programme 3: That the internal systems that have not been changed to accommodate the different compliance requirements of the NPOs and NGOs be addressed by changing the respective checklists however it is proposed that the approach should not be one of one size fits all.

4. PRESENTATION OF THE APPROVED CHAMBER COMMITTEES' TERMS OF REFERENCE: Chamber Manager: Mr. Hosea Morapedi

1. The 5 Chamber Committees are sub committees of the AA. Chamber Committees receive mandates from the AA i.e. Chambers' functions are delegated by the AA. The main function of the Chamber is to assist in effecting the functions as prescribed in the SDA. The powers of the Chambers include:
 - 1.1 implementing Chamber Research projects to support the SETA strategy
 - 1.2 initiating and implementing innovation projects
 - 1.3 establishing task teams which, in between the Chamber Committee meetings, would further the work of research - or innovation projects. The task teams or working groups are key to assisting the Chamber to fulfil its mandate.
2. A Chamber unit office is dedicated to attend to administrative and secretarial needs of the

Chambers.

3. The Chambers assist merSETA in carrying out its responsibilities by:
 - 3.1 sourcing and preparing sub sector input to inform the SSP
 - 3.2 developing a Chamber research programme that includes innovation projects
 - 3.3 identifying skills needs and training requirements and conceptualising research projects which contribute to the SSP. Innovation projects follow research and are based on the findings or recommendations emanating from the research
 - 3.4 advising the regional structure
 - 3.5 identifying education and training needs in the various sub sectors
 - 3.6 monitoring and evaluating development and implementation of programmes in the respective sub sectors at sectoral level as opposed to company level
 - 3.7 making input into education and training policies and systems in the sub sector
 - 3.8 liaising with relevant bargaining councils, forums and professional associations regarding objectives for example partnerships.
4. Structure of Chamber Committees: Reference is made to 2 constituencies being business i.e. employer associations and labour i.e. trade unions that are represented by 9 individuals per side other than Plastics Chamber who elected to have 8 members per side. The membership includes 2 AA members nominated by the AA who would respectively be appointed Chairperson and Deputy Chairperson of the Chamber as decided by the Chamber; additional members who could be for example bargaining council - or professional association representatives and other subject matter experts and alternate members who would attend meetings in the absence of the principal members.
5. Meetings and AWP: The item refers to the obligation to prepare for meetings, members' conduct during meetings and contributing to attaining the merSETA mandate. The AWP provide clarity on what the Chamber is trying to attain to support the SP and APP and accordingly informs the agenda of the Chamber.
6. Frequency of meetings: Chambers convened a minimum of 4 times per annum i.e. quarterly.
7. Quorum of meetings: Chambers being sub structures of the AA need to quorate before convening.
8. Voting procedures: Voting must be done as per Constitutional prescript.
9. Review and Evaluation: Chambers are assessed annually by independent external providers to measure effectiveness and efficiency. The outcomes serve to identify strengths and weaknesses

to better the effectiveness of the committee.

10. Remuneration: Travel and accommodation costs incurred to attend meetings are settled by merSETA.
11. Disclosure and Declaration of interest: Members are required to declare any conflict of interests at each meeting of the Chamber.
12. The ToRs are subject to review as and when required.
13. Questions/Comments
 - 13.1 Unknown: It was noted in response to a question for clarity that budget was available for the task teams to meet between meetings.
 - 13.2 Various Chambers: Organised Labour: Ms. M. Lebona:
 - 13.2.1 Regional Committees: A process was convened during 2017 to determine how to render regional committees more valuable for merSETA. The process was finalised following which a proposal was to have been made for consideration by ExCo.
 - 13.2.2 Provincial Skills Planning forums: Most stakeholders have day jobs and are not able to attend meetings. It is proposed that a way be devised to ensure participation by Labour considering companies were already participating.
 - 13.3 Motor Chamber: Organised employers: Mr. A. Dunn: merSETA is the only organisation providing cohesion in the regions as other bodies like the QCTO, NAMB and TVETCs do not have a presence. It is therefore proposed that merSETA's regional structures continue as that is where information can be sourced and be shared.
 - 13.4 Auto Chamber: Organised Labour: Mr. X. Tshayana: Regions in terms of management and staff as it relates to accountability and reporting targets fall within a particular division but coordinating the regional committees as a structure fall under another division. The disjuncture needs to be corrected for the sake of uniformity.
 - 13.5 Auto Chamber: Organised Labour: Mr. X. Tshayana: The Eastern Cape Provincial Skills Development Forum: The regional committee decided that 2 representatives from the region must represent merSETA in the forum. The individuals must however be provided with information regarding the province i.e. what the provincial skills strategy is, how it integrates with the SETA and detail of partnerships merSETA entered into with the OTPs. A strategy must be devised not only through the SETA regional managers but also stakeholders forming part of it. It would assist in following up on return on the investment merSETA is making in the OTPs and to expedite implementation by escalating matters to relevant managers.

RESOLVED

1. Provincial Skills Planning forums: That, since most stakeholders have day jobs and are not able to attend meetings, a way be devised to ensure participation by Labour considering companies were already participating to influence strategic direction such as with Operation Phakisa.
2. That merSETA's regional structures continuing be considered as is creates cohesion between all the other structures and it serves to be a source of information.
3. That the region in terms of management and staff as it relates to accountability and reporting targets that fall within a particular division and coordinating the regional committees as a structure that fall under another division be corrected for the sake of uniformity
4. That representatives serving in provincial structures be provided with information regarding the province i.e. what the provincial skills strategy is, how it integrates with the SETA and detail of the partnerships merSETA entered into with the offices of the Premiers. A strategy must be devised not only through the SETA regional managers but also stakeholders forming part of it.

5. QCTO/NAMB UPDATES BY merSETA QUALITY ASSURANCE and QCTO NATIONAL OFFICE

5.1 QCTO/NAMB Updates by merSETA Quality Assurance: Mr. Thabo Mokwena: Manager: QA

1. QA of legacy trades like fitter and turner and millwright is through accreditation of SDPs and TTCs. The NQP for the trades is NAMB. The process implies the applicant provider submitting the application to NAMB or merSETA where after it is submitted to NADQAC who distributes it to the respective SETAs. The SETA conducts site visits and if the applicant meets the criteria it is returned to NAMB who, if satisfied submits it to the QCTO. The turnaround time is 40 days from the day the QCTO receives it to the time the applicant receives feedback.
2. Trade Test of contracted learners and ARPL Processes:
 - 2.1 Contracted learners' applications are submitted directly to merSETA and if all the requirements are met a trade test date is requested from a TTC. The ARPL application, if in respect of the welder, fitter, boilermaker and motor – and diesel mechanic trades that have ARPL tool kits, are submitted directly to the TTC alternatively to merSETA. If the applicant is ready to be tested, he proceeds to be tested or he is recommended to receive top up training from an SDP.
 - 2.2 TTCs provides the PoE checklist and statement of results. If the outcome of the ARPL tool kit process is to apply for the trade test the candidate completes the trade test application form and submits it to merSETA together with a copy of his ID and service letter from the company. merSETA verifies the workplace experience as documented in the service letter. The application, if approved is submitted to the TTC of the candidate's choice and the trade test takes place.
3. QA of legacy qualifications being unit standard based qualifications like automotive repair and

maintenance and mechatronics in the scope of merSETA are being QA'd by merSETA. The QA function extends to accreditation but from 1 July 2018, if the candidates applies for the full qualification the application would be processed through the QCTO. The QCTO forwards the letter of intent to merSETA where after the provider and merSETA conducts the site visit. merSETA recommends approval to the QCTO if the criteria are all met.

4. Unit Standards: merSETA conducts the full accreditation process but no longer against individual unit standards but against a skill programme.
5. Status of Occupational Qualification Development: 41 occupational and 15 part qualifications have been registered. Six qualifications are currently under development. Four qualifications have been recommended to SAQA for approval.
6. merSETA participates in the development of learning material of qualifications that are key to the merSETA sector. The trade test development process in respect of the qualifications is the responsibility of merSETA. The lift mechanic, instrumentation mechanic, fitter and turner, sheet builder and boat builder qualifications have been piloted, electroplater is ready to be piloted and electrician, mechanical fitter and toolmaker have been completed and are implementable.
7. Challenges include reviewing qualifications, development of qualifications and the process of registering the qualification with SAQA.
8. Questions/Comments

8.1 Motor Chamber: Organised Employers: Mr. A. Dunn: The application after the ARPL submitted it to the TTC is already approved i.e. no further approval is required by merSETA other than a serial number. Is a guideline applicable in this regard as the QAs and the TTCs appear to disagree?

Response: merSETA approves the PoE checklist, statement of results and trade test application form submitted to merSETA for the purpose of the serial number. merSETA before issuing the serial number verifies the service letter. All the evidence is submitted to NAMB after the trade test, who if satisfied, forwards it to the QCTO.

8.2 Motor Chamber: Organised Employers: Mr. A. Dunn: New Occupational Qualification: The Motor Chamber have been asking for more than 18 months for merSETA's assistance with the ARPL toolkits for automotive body repair and spray painter to update the old outdated material.

Response: The toolkits are in progress. It is not a merSETA process but merSETA has been querying it. NAMB would be able to clarify what the status is.

8.3 Various Chambers: Organised Labour: Ms. M. Lebona: A challenge was raised in respect of language during the pilot of the ARPL and the possibility of translating it into other languages.

Response: An option in the short term would be to appoint an interpreter but a decision would have to be made about in which language the translation should commence. However, the request would be communicated to NAMB.

- 8.4 Auto Chamber: Organised Labour: Ms. M. Lebona: The Chamber requested that the level of Mechatronics that was considered to be too high be reviewed. What is the status of the request?

Response: Progress has been delayed by the lack of participation by stakeholders. Two workshops have had to be rescheduled twice for the same qualification.

- 8.5 Unknown: Is there a process to relook the toolkits that have inaccuracies?

Response: The mistakes could be channelled either directly or through merSETA: QA to NAD or NAMB.

- 8.6 Auto Chamber: Organised Labour: Mr. X. Tshayana: The QA division must engage the DoL because certain employers are still discouraging a trade certificate acquired through the ARPL process. A campaign should be embarked upon through organised labour assisted by the QA department to implement it.

- 8.7 Auto Chamber: Organised Labour: Mr. X. Tshayana: Beneficiaries of the ARPL process like back yard mechanics could all become employed, but they need to be trade tested. It must be addressed through the funding model. See discussion of the funding model under item 8.3.2.

Response: merSETA funds the trade test fee of unemployed persons. However, the ARPL trade test is a new process and can be considered.

- 8.8 Metal Chamber: Organised Labour: Mr. C. Gina: ABET was introduced in the labour market because it responded to illiteracy. A new illiteracy is being identified being ICT illiteracy whereby obtaining a qualification or trade previously would be through for example operating a welding machine it would now be through a system like 3 D printing. It serves to exclude artisans from the labour market as they are being overtaken by the focus on young people who are ICT literate.

Response: Development and review of qualifications takes technology into consideration and technology is a continuous journey.

RESOLVED

1. That the Manager: Quality Assurance ascertain with the National Artisan Moderation Body what the progress is of the Artisan Recognition of Prior Learning toolkits for the automotive body repair and spray painter.
2. That the Manager: Quality Assurance communicate the request to translate the Artisan

Recognition of Prior Learning process in a language that the candidates can understand to the National Artisan Moderation Body.

3. That the request to review the funding model to fund the trade test of candidates who completed the Artisan Recognition of Prior Learning be considered.

5.2 QCTO National Office: Acting Cluster Head: Trades: QCTO: Mr. John April

1. Qualifications merSETA is looking to develop/review/align/implement fall within the role of the QCTO which should be conducted in partnership as the QCTO is not developing qualifications in isolation. Chambers play a critical role as it is the link for the QCTO to determine whether a qualification is useful for industry.
2. QCTO committees are made up of industry representatives because the QCTO is trying to be as inclusive as is possible but it is difficult in the changing environment to keep up with the changes. The qualification development process is slow and may not be keeping up with the shift in terms of employment trends, careers and occupations.
3. The QCTO is in a process of looking at smaller packages of learning or modules of employable skills or skills programmes and engaging SETAs as QA partners for the development of new skills programmes that are in demand. See item 8.3.3 regarding part qualifications.
4. The QCTO is in transition presently and although it is tasked with development of qualifications, it is still having to delegate the function to the SETAs. It must however, in terms of Vision 2020, revoke all SETA delegated QA functions.
5. QCTO's responsibilities include NQF 1 to 8 and skills programmes. New skills programmes are being considered in partnership with SETAs as ultimately the demand or lead for the type of skills programmes that are required originates from industry.
6. The NSA conducted a roadshow regarding PSET and followed up with a public comment process in terms of which the national PSET plan was shared with the public inviting comment and input as the PSET plan will ultimately direct skills development in the country. The process has concluded.
7. It is not easy to identify occupations in high demand because of the industry volatility but the recent job summit would have provided guidance in respect of opportunities for collaboration and partnerships to address some of the challenges like the high unemployment rate.
8. The development process of qualifications by industry for industry were being introduced where Chambers will play a vital role. It is a mechanism for the SETA to be informed of the status of qualifications in the Chambers and it is a critical platform for the QCTO that can be used to establish what the needs are.
9. The QCTO is currently managing 2 systems being the legacy qualifications i.e. historically registered qualifications and the occupational qualifications which is the new system which the QCTO is doing in partnership with the SETAs. Once the candidates passed the EISA or the trade

test the QCTO found the learners to be competent and ready for work because they meet the national standard.

10. The QCTO is currently busy with skills programmes for CETCs that are suited to the colleges because of the high percentage youth who are unemployed. The QCTO will be looking at partnering with merSETA in this regard.
11. Events: The QCTO is presently conducting roadshows to introduce the occupational qualifications learner management system and a QCTO symposium will be conducted on 7 November 2018 in Gauteng to discuss matters like the skills programmes for community colleges. An open invitation will be extended to the QA division and Chamber members are welcome to attend at their own cost.
12. Email address: April.J@QCTO.org.za. The subject line must reference merSETA Induction Session.
13. Questions/Comments:
 - 13.1 merSETA: Senior Manager: Strategy and Research: Ms. H. Brown: Does introduction of the occupational qualifications learner management system imply the QCTO will be registering learners?

Response: QCTO released the specifications of the OQLMS in June 2017 which is available on the website. It is not compulsory to use the system as long as the SETAs meet the requirements to upload to the system. The system responds to the NLRD specifications but the format, the type of data and the specifications of the data might be different. Skills Development Providers are required to enrol the learners on the OQLMS.

- 13.2 Plastics Chamber: Organised Employers: Mr. S. Woodhall: Does it mean that the structure will change?

Response: Qualifications reached an expiry date in March and June 2018, but the date was extended. Some of the qualifications have been replaced by occupational qualifications but it is a provider's choice whether to take up the occupational qualification. However, as soon as the provider has taken it up he assumes or presupposes a change to the way of doing things but continuing with the legacy qualifications presupposes that nothing changed. QCTO is encouraging providers to take up the occupational qualification but the requirements and specifications are distinctly differently from legacy qualifications.

- 13.3 Metal Chamber: Organised Employers: Mr. D. Uithaler: How does the QCTO communicate with stakeholders?

Response: Information is available on the website or through forums in the qualification development environment. Individuals who are not part of a specific grouping may be excluded.

- 13.4 Motor Chamber: Organised Employers: Mr. A. Dunn: Who does site approvals for on the job training in respect of learners registered on the OQLMS?

Response: The SETA is presently doing the accreditation on behalf of the QCTO.

- 13.5 Unknown: Development of skills must be competitive in the market. What is QCTO learning from other countries?

Response: The QCTO does learn from other countries and tries to implement the learnings where possible.

- 13.6 Motor Chamber: Organised Employers: Ms. I. Botha: Companies, offering occupational qualification training are required to register with the DHET as private training providers at a fee of R 500. The problem is that DHET, despite numerous requests has not issued an invoice and as a corporate organisation the company cannot pay the R 500 without following the necessary administration process i.e. without an invoice.

Response: The presenter could not assist or provide information but indicated he would raise it with his colleagues.

RESOLVED

1. That it be noted a QCTO symposium will be conducted on 7 November 2018 in Gauteng to discuss matters like the skills programmes for community colleges. Members are invited to attend albeit at their own cost.
2. That the challenge of the DHET not issuing invoices in respect of the R 500 registration fee to be paid by private providers offering occupational qualification training be followed up with the QCTO.

6. CHAMBERS' NEW STRATEGIC SHIFT INVOLVING CHAMBER RESEARCH AND INNOVATION PROJECTS: Chamber Office Bearers/Chairpersons

6.1 Motor Chamber: Mr. Marwaan Davids

1. The Motor Chamber research was about investigating relevant occupations and skills for the SA Motor Industry. The research was guided by the need to develop an understanding of the reorganisational changes at workplaces to determine the type of skills development individuals must undergo to adapt, remain relevant and make progress. The research focus was on the SA automotive value chain on two areas of focus being Tier 1 automotive component manufacturers and Tier 2 automotive aftermarket services and support like dealers and panel beaters. The 2 areas are dictated to by the OEMs as opposed to consumers. The debate was whether the 3 Chambers being the New Tyre -, Motor - and Auto chamber within the automotive sector can be combined
2. Tier 1 Component Manufacturing Research

- 2.1 Questions related to the emphasis on the WSP as a key resource of the SSP which, if not prepared properly, would not give a clear indication of what industry's needs are. It was agreed to test the quality of the information it contains.
- 2.2 The research was fragmented in management, engineering, professional supervisors, artisans and general operators and the skills that as a specialisation area will be a driver.
- 2.3 The specified objective was to report on the impact motor industry major trends have on skills in the workplace taking into consideration industry 4.0, how it has affected the motor industry and how industry must adapt to fit in with the changes from both a theoretical and practical perspective.
- 2.4 The research methodology was through partnering with the custodian of the SA Automotive Master Plan that will be operationalised in 2020. It was a collaborative approach through automotive manufacturing, automotive component manufacturing, aftermarket services and information that was already available.

3. Tier 2 Aftermarket services and support like dealers and panel beaters

The 2nd research stream was conducted directly through MIBCO's research unit. The methodology included a desktop study, qualitative and quantitative information and fundamental to it was the SA Automotive Master Plan where a lot of the change drivers like industrialisation 4.0 has already been uncovered. Surveys were conducted to qualify the information on hand and focus groups were conducted with OEMS, dealerships and body repairers.

4. Recommendations

- 4.1 The full occupational qualification in terms of the future landscape will no longer be needed. Part qualifications and specialisations will instead be preferred to perform specific tasks. Redundant skills will have to be identified and the availability of skills be determined. Outsourcing is important to create entrepreneurships instead of employing new people. OEMs are requesting dissemination of big occupations into smaller occupations to hold people accountable through acknowledging their qualifications. See recommendation 8.3.3 regarding part qualifications and specialisation additions.
- 4.2 A need exists for global thinking and strategic insight in relation to upcoming regulatory changes in the motor industry.
- 4.3 The need for advanced technical capabilities like mathematical reasoning skills and analysing big data is growing.
- 4.4 Investing should be in world class manufacturing programmes to make plants more productive to compare internationally.
- 4.5 Non financial support must be provided like skills development, policy customisation and

integrating B – BBEE into training.

- 4.6 Collaborative platforms that will enable firms to share knowledge across the value chain are proposed.
- 4.7 Redundant skills include designing components, gas welding, lead filling, the fitter occupation that is being replaced with the millwright qualification and intermediate mathematics.
- 4.8 The automotive aftermarket and support services research suggested that:
 - 4.8.1 merSETA must consider ways of consolidating initiatives between the automotive industry chambers
 - 4.8.2 the DoL need to consider ways of regulating the automotive industry in a uniform way
 - 4.8.3 skills authorities must keep skills development initiatives relevant to industry needs and training aligned to industry norms and standards to ensure skills development initiatives are world class
 - 4.8.4 training of the trainer to transfer knowledge properly must be prioritised.
- 4.9 Skills and labour authorities need to work together to conduct continuous research in the automotive industry to understand how skills and occupations change and to respond to it.
5. Conclusion: Two tiers out of the value chain have been researched whilst the other 4 remained to be addressed.

6.2. Plastics Chamber

Background

The research started based on the value chain and the mapping of jobs against the OFO to understand the shape and dynamics of the industry with respect to the skills growth scenarios and to attract, develop and retain technical talent.

Recommendations include:

- 2.1 implementation of an industry strategy inclusive of the whole supply chain and integration of waste and recycling including ongoing monitoring and evaluation.
- 2.2 funded and employer led training resulting in a pool of trained people to draw on and more and better radical innovation. It led to the next research that was about the innovation culture in the industry.

Follow up research

The next research was in respect of the skills requirements to support a more innovative culture. It was found with respect to plastics technicians that a deficit existed in mould making, machine technology and material signs i.e. not just a shortfall in terms of technical skills but also in terms of the innovation culture. The operator fault finding and problem solving was also highlighted as well as the need for industry specific skills and improved supervision capabilities.

Key findings include

- 4.1 there is a disconnect between company funding needs and the allocated DGs particularly in respect of new technology such as robotics, product life cycle management and mechatronics
- 4.2 tertiary qualifications are not available, industrial, chemical and mechanical engineers are hard to find in respect of which it was suggested to adopt a stepped approach to qualifications
- 4.3 after extensive and broad industry consultation there is a lack of systemic research and development based innovation and that proprietary product innovation was only at 20 %
- 4.4 disruptive innovation or new products lacked and that old products were being improved upon.

Proposed research interventions include:

- 5.1 participating in the Plastics SA strengthened innovation forum as they are looking at using it to encourage dialogue, action and implementation
- 5.2 forging partnerships with universities to close the gap between research and industry application and skilling people for innovation.

Status Quo

Current research projects relate to the shortfall or lack of plastics technicians and plastics engineers in SA and what it is that can be done to address the problem. Key questions to be answered through research are:

- 6.1 what the current higher education provision status is regarding technicians and engineers in SA
- 6.2 what type of specialised skills are required in the plastics industry
- 6.3 whether there is a shortfall in education provision and if so what needs to be done to address it.



Recommendation

The recommendation on future interventions to improve the situation includes making recommendations to merSETA. The research is currently at the stage where face to face interviews are being conducted where after a draft report will be introduced. The final report will be produced by the end of March 2019.

6.3. **New Tyre Chamber:** Ms. M. Lebona and Mr. N. Rademan

The project is likened to the YES project which is a collaborative approach by the social partners i.e. government, labour and business to fight unemployment and give youth an opportunity to be able to find meaningful careers. The approach is focused on career pathing to provide direction and identify the competencies required in terms of skills, education required and on the job ability.

6.4 **Metals Chamber and Auto Chamber**

No presentations.

12 October 2018

7. **PLENARY: CHAMBER COMMISSIONS REPORT BACK**

The aim of the discussion is to establish how Chambers would support the merSETA SP, APP and SSP and deliberations will inform the basis of the AWP discussion that will continue during the first Chamber meeting cycle.

7.1 **Metals Chamber:** Presentation by: Ms. Erika Grace

1. The Metal Chamber, based on the Chamber's ToRs and responsibilities, will plan future research and innovation projects for the 2019/20 FY to support the SP, APP and SSP by:
 - 1.1 conducting an audit of the skills available presently and determining what the growth potential is and whether it is for use within the industry as well as outside the industry especially once people exit the industry
 - 1.2 identifying the type of future skills needed considering the research that emanated from the Auto Chamber regarding the types of skills needed for the future and that the broad number of trades could be insufficiently focused
 - 1.3 determining what the absorption rate is as many apprentices were trained to be artisans but not many have been placed. It must be ascertained whether they have been absorbed elsewhere and whether too many artisans were produced
 - 1.4 developing skills and upskilling individuals in qualifications required on projects outside of SA because too often particular skills are imported for projects inside SA

- 1.5 identifying jobs that are going to be required in the future in the sector to prepare workers
- 1.6 accelerating RPL as a matter of urgency, investigating the impact of HIV on skills and whether the introduction of antiretroviral drugs has served to stabilise the workforce
- 1.7 determining the:
 - 1.7.1 number of individuals entering and exiting the workplace
 - 1.7.2 informal sector profile and leveraging off the work done by the Tshepo 1 million research to expand it to areas outside of just Gauteng
- 1.8 focusing on rural areas and introducing the areas into the mainstream economy by introducing rural development projects i.e. the CRD strategies
- 1.9 addressing the existing illiteracy in the digital world and finding ways to access the digital world.
2. The new education and training needs the Metal Chamber Committee identified or is intending for future industry skills needs can only be developed once the research project has been completed.
3. The role merSETA can play as an intermediary body to assist in addressing the sector and subsectors' skills needs would only be identified once the project has been identified. One of the concerns raised however was regarding the impact of the regional committees and ensuring they are viable.
4. The education and skills needs required by the Metal Chamber Committee to fulfill the Chamber Committee's responsibilities and mandate as outlined in the Chamber Committee ToRs include:
 - 4.1 that considering everything will be project related that skills to manage the projects properly will be required
 - 4.2 direction on improving the Chamber's role as it relates to the SDFs
 - 4.3 an understanding of the RPL process, how it can be implemented and how it can be fast tracked
 - 4.4 finance training for non-financial managers
 - 4.5 an understanding of training and education in the country.
5. Comments/Questions
 - 5.1 It was important for continuity that a proper handover be done by the previous Chamber to the new Chamber to identify previous considerations that were implementable and those that were not.

- 5.2 The commission in terms of innovation projects research requested additional time in order to finalise by the next Chamber meeting.

7.2 Plastics Chamber: Messrs. S. Woodhall and M. Tsiu

1. The Plastics Chamber reported in response to the question of which future research and innovation projects for the 2019/20 FY the Chamber would plan based on the Chamber's ToRs and responsibilities to support the SP, APP and SSP that:
 - 1.1 it is too soon for new members to contribute without first becoming part of the chamber meetings
 - 1.2 the Plastics Chamber would usually use the findings and recommendations emanating from the current research and evaluate the value of using these to inform the next research as it ensures that research topics are relevant to the industry's growth.
2. The new education and training needs the Plastics Chamber Committee identified or is intending for future industry skills needs include:
 - 2.1 the Plastics Manufacturing Machine Setter Trade Qualification which was reviewed and submitted for registration at NQF Level 5 and not NQF Level 4
 - 2.2 part qualifications for the above Plastics Manufacturing Machine Setter Trade Qualification which have been developed and which have been submitted for registration at NQF Level 4
 - 2.3 developing the Plastics Manufacturing Machine Operator as the next occupational qualification
 - 2.4 at shop floor level:
 - 2.4.1 completion of the Setter Trade Test through the review process now an NQF Level 5 and not NQF Level 4
 - 2.4.2 part qualifications
 - 2.4.3 Plastics Manufacturing Machine Operator which is the next occupational qualification for development
 - 2.4.4 Plastics Technicians: Universities are not offering it but TUT is in the process of preparing for the new B. Eng degree in Polymers, but it is uncertain whether it would be ready to start in 2019 as originally planned
 - 2.4.5 Plastics SA Trainers/Lecturers for future skills
 - 2.5 recycling i.e. the complete value chain starting with collecting waste which needs formal

qualifications. It must be researched where after the qualifications must be developed

2.6 on a higher Level

2.6.1 an import replacement export readiness programme

2.6.2 management development

2.6.3 executive development for example lean management

2.7 composites

a possible review of legacy qualifications NQF Levels 2 to 5 which could be facilitated by MerSETA through the QCTO. MerSETA could be appointed DQP for the review process and convene a CEP following which application could be made for development of occupational qualifications that are more relevant and current to replace the old qualifications

2.8 the following future skills

2.8.1 advanced robotics for intelligent gripping controls; smart factories i.e. using gesture recognition to imitate humans; more attractive workplaces that are ergonomic and hassle free; wearing of robots directly on the body; man and machine collaborating more effectively; robots for autonomous elements within workplaces and cobots for most other work elements

2.8.2 digital assistant systems i.e. augmented reality; gesture control; wearable robots and cobots and sensitive industrial robots

2.8.3 advanced robotics

2.8.4 machine learning

2.8.5 autonomous systems, programming software, sensors and artificial intelligence.

3. The role merSETA could play as an intermediary body to assist in addressing the sector and subsectors' skills needs include:

3.1 development of lecturers/trainers from Plastics SA for future skills readiness

3.2 building relationships with Chambers of Commerce of European and Eastern Countries to facilitate skills transfer partnerships

3.3 special projects like executive development i.e. leadership for the future as future skills cannot be introduced if the leadership is not prepared. It includes how to:

- 3.3.1 disrupt your workplace for results i.e. safely shake things up
- 3.3.2 collaborate rather than compete
- 3.3.3 keep up to date with science technology and current affairs
- 3.3.4 communicate in new ways.

- 4. The education and skills needs required by the Plastics Chamber Committee to fulfill the Chamber Committee's responsibilities and mandate as outlined in the Chamber Committee ToRs include training in respect of the various acts and policies, responsibilities and how to contribute and understand what research is.
- 5. Comments/Questions

A NQF level 1 accredited programme for composite waste treatment has been developed for the Institute of Waste Management.

7.3 New Tyre Chamber: Mr. W. Ntantiso

- 1. The New Tyre Chamber, based on the Chamber's ToRs and responsibilities, will plan future research and innovation projects for the 2019/20 FY to support the SP, APP and SSP by:
 - 1.1 conducting research work on future career pathing within the tyre manufacturing industry so there is a bigger appreciation of the move and the competition the sub sector is facing. The Chamber is aware there are key career paths and skills that will be required going forward
 - 1.2 understanding and unpacking the smart factory and technological requirements to identify future skills and competencies
 - 1.3 investigating how to transition the current organisation to a future organisation and prepare the people in alignment so that everyone is taken along
 - 1.4 transforming the industry in terms of gender i.e. creating new opportunities for women
 - 1.5 looking at the impact of imported products on tyre sizes especially with a reference to the Chinese brands. Additional research needs to be conducted to be more competitive.
- 2. The new education and training needs the New Tyre Chamber Committee identified or is intending for future industry skills needs include:
 - 1.1 conducting cross functional training i.e. multiskilling artisans to do different jobs like tyre building and inspecting quality
 - 1.2 first line maintenance training for operators to perform on the spot, on time maintenance starting at operator level enabling them to trouble shoot and identify solutions

- 1.3 considering the implications of IATF requirements in the industry to be audit ready. The industry needs more education to comply with the stringent quality requirements
 - 1.4 unpacking skills requirements and competencies required for lean manufacturing and quality control
 - 1.5 training for lasting careers that includes up-skilling people despite mechanisation and age
 - 1.6 being agile, predictable and flexible to respond to market needs even if it means partnering.
2. The role merSETA can play as an intermediary body to assist in addressing the sector and subsectors skills needs include:
- 2.1 aligning funding with delivery. Funding appears to be reducing for companies and increasing for other projects and employer associations. merSETA in addition approached the companies to account for interns, bursaries and additional learnerships to be included in the performance plan however funding was provided only for 3 out of 45 interns and funding was not provided for the bursaries. It is important that merSETA assists the companies that are supporting merSETA. See discussion regarding the funding model under 8.3.2
 - 2.2 qualifications
 - 2.2.1 to be agile in development, accreditation and implementation of tyre and rubber technology qualifications. See discussion regarding agility under 8.3.8
 - 2.2.2 addressing the curriculum for tyre manufacturing which should form part of TVET learning. Companies are presently taking a long time to close the gaps in the learning the TVETCs delivered
 - 2.2.3 that cater for industry need
 - 2.3 simplifying the system to render it more user friendly
 - 2.4 facilitating through merSETA to link into partnerships with government and other key stakeholders like TVETCs.
3. The education and skills needs required by the New Tyre Chamber Committee to fulfill the Chamber Committee's responsibilities and mandate as outlined in the Chamber Committee ToRs include:
- 3.1 a clear understanding of the NSDMS as the problems are making it challenging to submit the WSP and the ATR
 - 3.2 a better understanding of how the funding model works

- 3.3 an operational guide to registering qualifications i.e. how and who to approach for assistance
- 3.4 assistance to ensure the Chamber has a robust and actionable AWP. Guidance by merSETA senior management will be beneficial.

4. Comments/Question

- 4.1 It was noted the:
 - 4.1.1 operational guide should address registration of learners, apprentices and skills programmes because the process is not as simple as what it appears to be
 - 4.1.2 actionable AWP was to ensure it aligned with the overall merSETA workplan.
- 4.2 NSDMS workshops must be fit for purpose as the Chamber wants to provide input on what will work.

7.4 Motor Chamber: Mr. Marwaan Davids

- 1. The Motor Chamber, based on the Chamber's ToRs and responsibilities, will plan future research and innovation projects for the 2019/20 FY to support the SP, APP and SSP by using the notes, whatever was discussed and what participants decided and deliberating on it in a workshop to determine the content of the AWP and what is doable to ensure the Chamber delivers on it. The current research will be used as a basis as the other sub sectors in spite of not having been researched, are all included in the value chain. The AWP will be short, medium and long term to measure delivery on the plan against the dates.
- 2. The new education and training needs the Motor Chamber Committee identified or is intending for future industry skills needs will be derived from the research report. The scope of the AWP for the next 5 years will be based on the current as well as future research as research is a continuous process. Two sub sectors being Automotive Component Manufacturing and Aftermarket services and support like dealers and panel beaters formed the focus of the research, but research must still be conducted in respect of the other sub sectors. The Motor Chamber links with the other chambers and reemphasise the rationale for a collaborative chamber consisting of the Motor -, Auto – and New Tyre Chambers. It will not only be based on the research but also industry trends and change drivers meaning the AWP must be doable, deliverable and flexible.
- 3. The role merSETA can play as an intermediary body to assist in addressing the sector and subsectors' skills needs include:
 - 3.1 increasing the funding for research in order to complete the research in respect of the other sub sectors
 - 3.2 performance managing the chambers to ensure they delivers on their mandate. The AA has a duty to monitor and manage the Chambers e.g. ensuring that members attend meetings

- 3.3 continuously investing in the development of staff and office bearers.
4. The education and skills needs required by the Motor Chamber Committee to fulfill the Chamber Committee's responsibilities and mandate as outlined in the Chamber Committee ToRs include applying the ToRs, observing the policies and ensuring merSETA is a well-managed organisation complying with the directives issued by the AA.

The Chamber took guidance from the research project discussed above and the AWP that must align to the merSETA SP and APP. The Chamber can't do anything in terms of the AWP until it is certain that it aligns with the APP and SP.

7.5 Auto Chamber: Messrs. S. Peter and B. Salters

1. The Auto Chamber, based on the Chamber's ToRs and responsibilities, will plan future research and innovation projects for the 2019/20 FY to support the SP, APP and SSP by investigating and developing a sustainable skills model to empower the workforce impacted by industry 4.0 that involved:
 - 1.1 looking at a factory of the future as the world is evolving and technology is taking over that includes future skills for the remaining workforce, future jobs for the excess workforce i.e. some of the jobs will be redundant going forward and training during transition periods
 - 1.2 specific projects like developing artisans into technicians and specialists and creating entrepreneurs for small business development in rural areas
 - 1.3 rural entrepreneurs' development e.g. developing SMEs for component manufacturing and placement of artisans as rural entrepreneurs like backyard mechanics as future research and innovation projects.
2. The new education and training needs the Auto Chamber Committee identified or is intending for future industry skills needs include at:
 - 2.1 operator level, training considering everything will be automated and every operator will need basic computer skills; intermediate computer skills; advance computer skills; microsoft office; basic programming skills; production system skills; bridging the gap in maths and science skills; basic technical skills to operate robots; multi skilling of machine operators and RPL'ing
 - 2.2 technician level millwrights as well as millwrights focusing on special components; mechatronics; pneumatics, hydraulics skills programme; programming and a PLC skills programme; ICT skills; laser beam welding and robots and enterprise development.
3. The role merSETA can play as an intermediary body to assist in addressing the sector and subsectors' skills needs include:

- 3.1 developing dual trades to enhance artisan skills
 - 3.2 enhancing skills by
 - 3.2.1 insourcing overseas skills training and exchanging learners
 - 3.2.2 providing on the job development
 - 3.3 online training development
 - 3.4 accelerating development of part qualifications
 - 3.5 ARPL diagnostic assessment
 - 3.6 re - visiting the funding model for apprentices and learners both employed and unemployed.
4. The education and skills needs required by the Auto Chamber Committee to fulfill the Chamber Committee's responsibilities and mandate as outlined in the Chamber Committee ToRs include:
- 4.1 developing an understanding of industry 4.0
 - 4.2 research and innovation
 - 4.3 project management.
5. Comments/Questions

It was noted the new funding model envisaged looking at realities like the need of employed workers to be trained as employers indicated that the financial implications are too high, including providing funding for the diagnostic assessment in the ARPL process.

8. SUMMARY OF STRATEGIC ISSUES RAISED BY THE CHAMBER COMMITTEES: Senior Manager Applied Research and Innovation: Ms. Helen Brown

1. Chambers are considered to have a strategic role in the organisation always looking for new solutions to try and protect the growth of an industrial economy. The SETA is centred in an industrial space and need to think where and how the sector could grow through skills.
2. Regional Committees are raised as an issue by the Chambers that should be considered as the committees linked stakeholders in respect of common implementation issues that should assist the regions to become agents or catalysts in unlocking implementation challenges. A new way forward is going to be structured for the Regional Committees for further consideration.
3. The comments were grouped in central themes from which several strategic debates emanated that could be discussed in an Inter Chamber conference during February 2019 to maintain a focus

on the strategic way forward for each Chamber. The central themes include:

- 3.1 future skills: Significant work has been done locally, internationally and through BRICS in respect of future skills. Embracing future skills could be a theme for an inter chamber conference the discussions of which could be informed by the work that has already been done like reports and other information. The Plastics Chamber referred to developing future skills to match the circular economy to advance manufacturing and industry 4.0 and training lecturers for future skills; Metals Chamber referred to future skills needed considering the research that emanated from the Auto Chamber regarding the types of skills needed for the future and that the broad number of trades could be insufficiently focused; New Tyre Chamber put forward multi skilling and career pathing and understanding and unpacking the smart factory and technological requirements to identify future skills and competencies and the Auto chamber put forward sustainable skills that are all in the future skills ambit which can be unpacked to make it relevant in the work plans training the existing workforce in future skills
- 3.2 alignment of funding: in the context of: funding SMEs, the informal sector, entrepreneurs and cooperatives that implied that fresh financial instruments would have to be established or created to enable small specialised manufacturing enterprises to enter the mainstream economy; implementation against the AWP and determining the extent to which the needs could be accommodated within the current funding model; trade tests of beneficiaries of the ARPL process and for the diagnostic assessment in the ARPL process; the New Tyre Chamber to align funding with delivery; the Motor chamber to increase funding for research and as proposed by the Auto Chamber to revisit the funding model to fund both employed and unemployed learners. However, the funding model is based on the regulations and the policy. It must be considered how the funding could be applied efficiently to address the concerns regarding issues such as that merSETA requested the number of interns to be increased in the New Tyre Chamber but out of the 45 only 3 were funded. A presentation could be delivered at the Inter Chamber conference to inform a discussion of the regulations and the policy
- 3.3 qualifications: The concept of how qualifications are defined must be reviewed to take into consideration reference by the: Metal Chamber to the broad number of trades insufficiently focused and dual trades; Inter Chamber conference in February 2018 to the global trend of qualifications getting wider with a broad base of essential competencies and adding specialisations; Plastics Chamber to half/part qualifications; QCTO who is in a process of looking at smaller packages of learning or modules of employable skills or skills programmes and engaging SETAs as QA partners for the development of new skills programmes that are in demand
- 3.4 partnerships specifically with TVETCs as it enables a new type of support. The company academies are full meaning TVETCs are a resource but how to activate the resource through a partnership must be investigated. Linking partnerships with TVETCs must be included in the future skills debate as new regulated funding models would apply
- 3.5 SDFs and introducing operational guides, providing direction regarding the Chamber's role

in respect of SDF as indicated in the Metal Chamber and approving MG applications without the SDFs having signed off as raised by Labour. It is proposed that an operational guide be introduced that must include topics like interacting with structures in the environment, accessing digital media to introduce SDFs to merSETA activities and supporting it with developmental material that is accessible on line

- 3.6 accelerating RPL as it has been slow. It was proposed that a Chamber adopts it as a project
- 3.7 research training in respect of which it was recommended that since a substantial portion of the Chambers' work would be informed by research that the research conceptualisation training be offered again
- 3.8 agility i.e. that workers need to be equipped with skills emphasising the importance of lifelong learning that will allow agility within the changing labour market; exploring innovative ways to deliver skills like investigating whether technology could be leveraged as a way of delivering skills development programmes; that qualifications must be agile in development, accreditation and implementation; using ICT to deliver education and skills planning and future skills must be agile, predictable and flexible to respond to market needs. merSETA was considering testing micro credentialing that will transfer processes into a digitally transformed format for ease of access to a self - directed learning pathway accessing theory and using virtual reality to understand the skills. It will culminate in a macro badge indicating whether the theory, simulated practical and the workplace experience requirement have been completed. The system must be able to link to the NSDMS and QCTO.
4. Organised Labour: Ms. M. Lebona: Policies and procedures must be more flexible i.e. not a one size fits all because the industries are not the same and consisted of different stakeholders.
5. Regional Stakeholder Forum and not necessarily Regional Committees should be considered to accommodate the other interest groups. It could be facilitated through skype to ensure participation of stakeholders in outlying areas.

8. CLOSURE: HRRC: Mr. Swafo

Mr. Swafo commended merSETA on the Inter Chamber Induction Session and wished the Chambers well in the changing environment.

9. Feedback received from the interChamber delegates with regard to the content and the organisation of the induction session

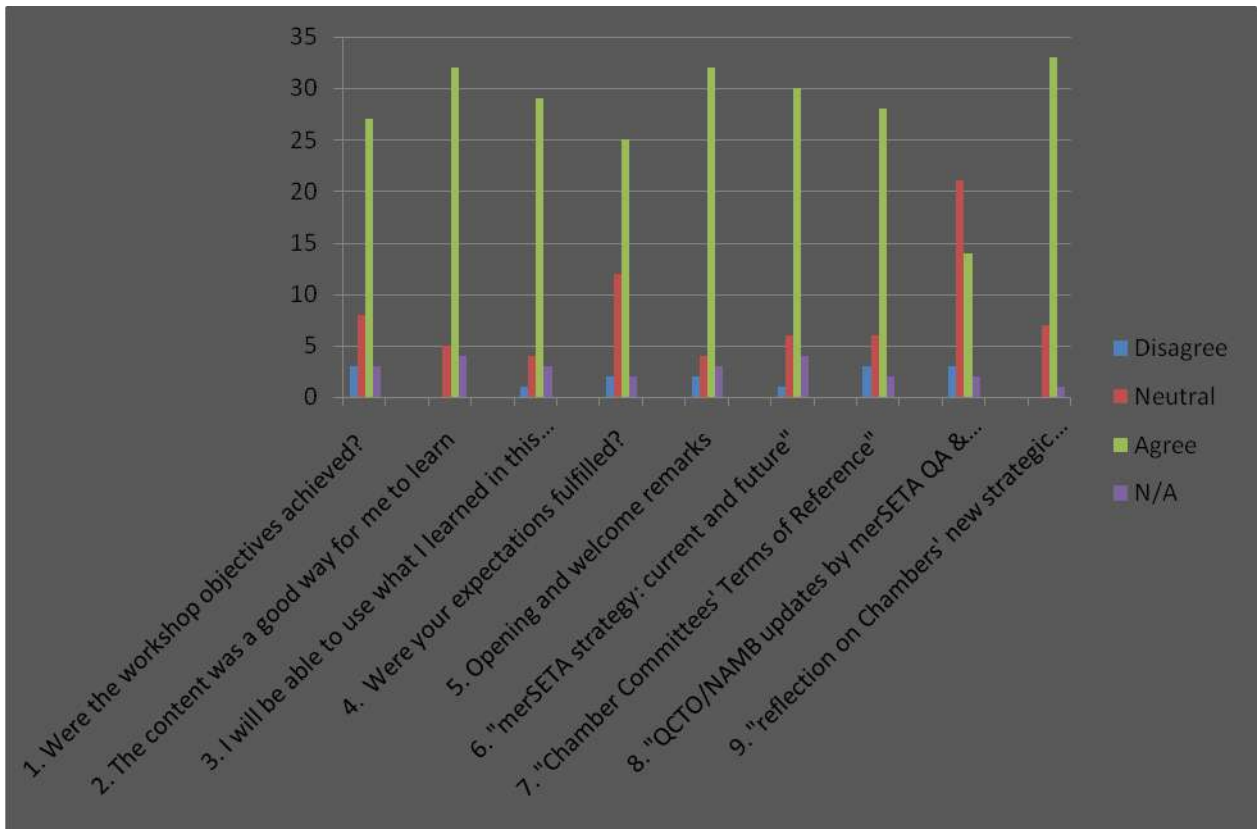


Figure 1

The above figure 1 provides feedback received from all Chamber Members who attended and participated on merSETA interChamber induction session.