



**MINISTRY  
HIGHER EDUCATION AND TRAINING  
REPUBLIC OF SOUTH AFRICA**

29 April 2010

**Media Statement by Higher Education and Training Minister Dr Blade Nzimande on the  
proposed new SETA landscape and the NSDS III**

I am joined today by Mr Edward Majadibodu, the new Chairperson of the National Skills Authority. The NSA is a body representing five NSA Constituencies: labour, business, government, community and training providers. I value the role of the NSA and thank them for joining us.

In November last year, my department assumed responsibility for skills development from the Department of Labour. At the time, we acknowledged that there were negative perceptions about the performance, management and governance of the Sector Education and Training Authorities (SETAs); that there was inadequate alignment of industry needs and provision of training and skills development and particularly relating to the supply of artisans and technicians; and that when the industrial policy action plan was finalised we would align skills development efforts to support its implementation.

In November, I also announced the extension of the National Skills Development Strategy (NSDS) II and current SETA licence by one year from March 2010 to March 2011 in order to allow us time assess the SETA landscape and design the architecture of the NSDS III in line with the new administration's strategic objectives. In my budget speech last month, I noted that 19 of the 23 SETAs received a clean bill of health from the Auditor-General and that we will take decisive action to deal with the non-performers.

Today we announce three major developments:

1. The public release of the proposed new SETA landscape
2. The release of the draft framework for the National Skills Development Strategy 2011/12 to 2015/16
3. Steps to deal with non-performing SETAs

### **Restructuring of the SETA landscape**

After an extensive process of review and consultation, my department has submitted to me a proposed new SETA landscape which I am now releasing for public comment and which will be gazetted. The NSA will hold public hearings before finalising their recommendations to me. The new SETA landscape will be adopted by the third quarter of this year after consultation with the NSA.

The criteria guiding the proposed new landscape are to ensure coverage of all economic sectors, financial and operational viability; and alignment with current government priorities.

The proposed new SETA landscape in summary features:

- The recertification of 15 SETAs with minor changes
- The “amalgamation” of several SETAs to secure greater efficiencies which will result in the establishment of six “new” SETAs.
- Reduction from 23 to 21 (The sectors served by Fieta, CTFL, and Mappp SETAs are now located elsewhere)

The annexure has the full list of SETAs and proposed changes.

### **The National Skills Development Strategy 2011/12 – 2014/15**

The framework of the NSDSIII 2011/12 – 2015/16 is intended to guide the development of the Sectoral Skills Plans (SSP) for adoption by September 2010. This framework should be read as a companion to the Human Resource Development South Africa (HRDSA) Draft strategy for

discussion 2010 – 2030. SSPs are five-year skills development reports prepared by SETAs aimed at identifying:

- The skills needs of industry / economic sectors (skills shortages, skills gaps and skills supply);
- Possibilities and constraints in the effective utilisation and development of skills in relation to government's priorities and the objectives of the HRDS, the NSDS, Provincial Growth and Development Strategies (including major projects) and relevant industry / economic strategies.

The NSDS is the overarching strategic instrument for skills development and guides sector planning. These processes will culminate in the launch of the revised Strategy at the National Skills Conference in October 2010 which will be followed by the implementation of the next five-year National Skills Development Strategy.

The NSDS is released for consultation today. I intend to finalise the NSDS framework by the middle of June and invite comment on this framework.

### **Non-Performing SETA's**

I am reviewing the governance mechanisms for SETAs and intend to take legislative steps to improve their functioning. We are also looking into patterns of mismanagement and non-performance in the SETAs and will release details within the next two weeks about action to be taken. The Skills Development Act permits the Minister, after consultation with the National Skills Authority and the SETA in question, to direct the Director-General to appoint an administrator to take over the administration of a SETA or to perform the functions of a SETA if, inter alia, the SETA fails to perform its functions. This is one of the options open to me to deal with non-performers.

We invite response to the NSDSIII and the proposed new SETA landscape. The NSA will conduct public hearings from 14 -18 June 2010 in Pretoria. Any organised constituency and members of

the public willing to make submissions are invited to register and confirm their intention with the Executive Manager: NSA Secretariat on or before 12:00 on 31 May 2010. All applicants will be contacted by no later than 16:00 on 9 June 2010 to confirm the venue, date and time for submissions.

Written submissions can also be sent to the NSA. The contact details of the NSA Secretariat are as follows:

Mr. T Mashongoane

E mail address: Mashongoane.T@dhet.gov.za

Tel no: 012 - 312 5420/5066

Fax no: 012 – 321 4032