NSA Roundtable on the NSDP

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INTRODUCTION TO BUSA

1. Apex body, formed in 2003, leveraging on the role that organised business played in a peaceful transition to democracy
2. Represents business with Government and Labour and in NEDLAC
3. Work closely with the CEO Initiative, Presidential Working Group, the NBI and the BBC
4. BUSA represents SA on the SADC Private Sector Forum, Business Africa, ILO and globally on the G20, and International Organisation of Employers and with Business Organisation counterparts across the globe. This enables business co-operation within the rest of Africa, South-South, BRICS and Internationally

BACKGROUND: DHET’S INITIAL PROPOSALS

- DHET’s first proposals on new landscape published November 2015
- Business viewed this as opportunity to develop a fresh and more inclusive vision for skills development
- Number of workshops held for business- over 500 business representatives consulted in developing our response

BACKGROUND – *cont.* : SUBSEQUENT VERSIONS

- Revised version published November 2016: No key employer proposals included
- Business continued to engage with social partners in bi-laterals and through NEDLAC process- continued to state position on key essentials for an effective NSDP
- Further revision published December 2017- few if any key changes to version two. Again, no key employer proposals included
- Latest proposals contain few real changes to existing structures and essentially rely on additional regulations and controls to deal with existing problems

KEY EMPLOYER PROPOSALS

1. SETAs- two options- EITHER retain good SETAs and have other arrangements in sectors where they have failed, OR have nine “SETAs” based on the OFO codes
2. Discretionary grants should not only be paid for formal qualifications but should also cover shorter courses identified as important to business needs
3. Focus should be on demand-led training, economically significant skills and training for employability taking into account rapidly changing nature of work (4th industrial revolution)
4. Set Mandatory Grant at 40% to encourage companies to train for their own needs and those of their workers

KEY EMPLOYER PROPOSALS – *cont.*

5. Levy/ Grant issues should be decoupled from labour market intelligence. Separate exercises are needed to assess national and sector needs and what grants should be payable to individual companies to train own workers
6. Levy does not exist for general post school education and other unrelated matters. Its primary purpose is to develop the skills of employees and for providing workplace experience to new entrants into the sector
7. TVET needs to be provided by both public and private providers in a competitive environment
8. Companies that have been receiving Mandatory Grants for at least five years should be exempted from the grant portion of the levy

KEY EMPLOYER PROPOSALS – *cont.*

9. Establish a National Skills and Employment Council to achieve consensus on a skills development strategy and to monitor its implementation. It should not fall under the DHET as it would need to review all aspects of Government policy and also monitor the DHET's performance. Disband the NSA and allow its functions to fall under this body.
10. A transparent and accountable payment system should replace the current arrangements. The levy should be collected by a Skills Funding Agency responsible for all payments, including those to the NSF and the SETAs. It would have no role in deciding what payments should be made and would have to publish regular reports and accounts. No levy funds would be handled by the SETAs apart from their own operating costs.

BUSA

THANK YOU