



higher education & training

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Keynote address by the Director-General of the Department of Higher Education and Training, Mr GF Qonde, at the launch of the College of Cape Town Retail Simulation Centre on 22 October 2014

Thank you for the opportunity in allowing me to be here today for this important event. When the CEO sent me the invitation, I had no hesitation in accepting as it provides me an opportunity to see for myself the sterling work that is being done to implement national policy as set out in the White Paper on Post-school Education and Training. In fact, I want to take advantage of being here to reflect a little on how initiatives such as this can contribute to the Minister's vision for the post-school education and training system. When local action is taken to implement national strategy, it is important to acknowledge that and to hopefully provide examples for others to emulate. If we work together with one common vision, we can do a great deal more and really start to make an impact.

One of the reforms that the Minister has been driving has been for the post-school system to be much more responsive to the needs of the economy. This is not to downplay the intrinsic importance and value of a good general education, far from it, but to acknowledge the importance of the economy at this stage of our country's development. Unless we focus on the needs of industry we will not see our economy expand, we will not see employment increase and we will continue to have high levels of unemployment. So it is crucially important that we collectively, as stakeholders in the post school system, work together to address the human capacity needs of the economy and prepare our young people for the jobs of today and those of the future. Because SETAs are located in the space between the education and training institutions and the world of work, they have a particular and critical role to play in mediating, or brokering, interventions that support this objective.

One of the problems of the way we have been working over the years is that SETAs have not been playing that role very effectively. I am not talking about efficiency or complaining about poor performance. I am talking about the system and how it has

been working generally. Employers have paid their levies and then claimed grants. The grants have then been used to fund in-house training or training provided by training providers. For a long time this meant private training providers, with public TVET colleges and universities not being involved or playing a minimal role. I am sure that some good training was done and many people in employment benefited. However, it has become clear that in general, young people leaving our schools and colleges were not being absorbed into jobs. Employers were not employing the people leaving our public education system and the SETAs were not doing anything about this problem. We were literally training hundreds of thousands of people, only to see them remain unemployed for a number of years. That was and is an unacceptable situation. We have had to take some serious measures to ensure that SETAs work with the public education system to improve the employment prospects of our young people and at the same time make programmes relevant and attractive to employers.

You know, we have had a lot of criticism as a Department, from some in business, from the media and others for the reforms that we have introduced. We have been taken to court. We have been accused of wastage. Some have suggested we are using the skills levy to “fund the public education system”. Even the recent StatsSA report showing in stark figures the problem we face, and which underlines the need for the changes we are making. It is being suggested that the reforms that we are pursuing to address the unemployment challenge are the cause of continuing racial inequality. When in fact the opposite is the case, the reforms we are making are because of the fact that the inequities we inherited from Apartheid have been so persistent that we have had to say to SETAs “be more proactive” and “get working with TVET colleges”.

It has not been easy to stay on track and keep focused, but with the active engagement of stakeholders, we have started to make progress. This initiative is one of many across the country that in my view will start to make an impact in the economy that we all want to see. What I like about the W&R SETA approach is that you have adopted a systematic approach to this. You have identified a number of colleges you want to work with over a period of years and are adopting a project approach, and not just signing MOUs that state good intentions but do not specify who will be trained and by when. The advantage of this approach is that all the

concerns of employers such as quality of teaching or the content of the training can be addressed during both planning and implementation. By focusing on specific partnerships, rather than all TVET colleges at once, there is more likely to be success and in particular more chance of winning and maintaining employer confidence. I think this approach is very good.

I have no doubt that in a few years' time the colleges will be playing a significant and respected role in the delivery of skills to the retail and other sectors. But it will take the type of hard work and planning that is being displayed here to bring that situation about. I hope the media and others who are critical of this process will come and see the work being done here and realise that it is important work that deserves being given credit.

So let me say a little more about what makes this initiative so important. Firstly, it is directly addressing the needs of industry, in this case the retail sector. As I understand it, there is solid support from industry and active participation by retail companies. This is as it should be. Employers must be involved and I want to thank those who are here to give their support. You are the future employers of our young people and we need you to be driving this. In thanking you, I would like to correct an impression that may have been created by some criticisms from organised business of our grant regulations. It was suggested that we were taking money from employers and less skills development would happen as a result. In fact, the reduction in the Mandatory Grant was precisely intended to enable the SETAs to develop and implement programmes that serve the needs of employers. Our aim is not to take money away from employers, but rather to ensure that funds are spent more strategically to meet industry needs. I am sure we will make some mistakes and that there will be lessons learnt, but our intention is that you, the employers, benefit more from discretionary funds because the spending of these funds are better targeted. You must inform us whether this programme is meeting your needs and if there are problems and challenges along the way, in order to help us get it right. Our aim is that the skills system needs to serve your needs, and I really hope that this will prove to be the case with this important development in the Western Cape.

Secondly, the SETA is playing its role as a broker. It is not the SETAs' role to do training as some media commentators seem to believe but rather to support providers and employers in coming together and training people to work more productively in the sector. Sometimes this involves providing project management support, bringing specialists together to design qualifications, curriculum and materials, sometimes it involves providing joint funding for the training of trainers and others. Of course, it does involve spending some money, and care has to be taken to get value for money and monitor results, but the important thing is that the SETA has helped make this happen and I want to commend those of you in the SETA who have worked hard to bring this centre into being. This is an example of what can be achieved when the SETA works with the stakeholders such as local colleges and employers to make things happen.

Thirdly, this is an example of a public college responding to the needs of industry in a creative and focused manner. Sometimes it is difficult to interpret what employers are saying about students that come from our public education system, but let me try. The concern is that a person leaving school with a Matric or a National Certificate Vocational (NCV) cannot be employed as they are not capable of doing the work required. I hope I have captured this correctly. Now schools cannot produce, in my view, men and women who are ready for work. Schools can only do so much in preparing school leavers to do specific jobs. However, perhaps it is a reasonable expectation that our TVET colleges should be doing more, particularly if they work closely with SETAs. As a department, we have tried to encourage colleges to improve their technical training capacity. We have provided some funds for the building of workshops where young people can work on machines and equipment that are similar to the ones that they would use at work. They cannot be exact replicas of the workplace as all workplaces are different and changes occur all the time, but the equipment should be similar to what they can expect to use at work. We have asked colleges to move beyond theoretical classes and provide practical "hands on" training. I think colleges have in the past done better in the artisan trades and in certain administrative occupations than perhaps other occupations. The College of Cape Town, in establishing a retail simulation centre, is showing that this approach does not have to be restricted to the trades. Much more can be done to give practical training that gives students the opportunity to practice what they have

learnt in the classroom, so that when they enter a retail work environment they can do what is expected of them. I want to congratulate those college educators and managers who have been involved in this initiative. You have been creative and are responding in exactly the way we had hoped you would. Your work is really appreciated.

Now establishing a centre on its own does not necessarily address the challenge of young people not being absorbed into jobs. One of the other concerns expressed by employers is about what people refer to as “work readiness”. Again, I battle to understand what employers are saying, but my interpretation is that they are not talking so much about the technical skills as about the soft skills or life skills associated with work. Can a young person write a CV that impresses an employer? Is a person able to come to work on time and be dressed appropriately for work? How does a person come across when being interviewed? Is this the type of person an employer wants customers to engage with? Does a person respond appropriately to instructions? Is this person a team player? Can we trust him or her not to damage equipment? I think these are the sort of things employers are talking about when they ask if a young person is ready for work. I would like to caution against expecting a school or college to teach all of these things. Students, you also have a responsibility here. Please use this opportunity you are being given, to learn about these things and practice how you intend to present yourselves to employers. This could be a life changing opportunity for you so do not waste it. Aim to be the best at whatever you do.

I would like to conclude by raising some underpinning issues in the White Paper on Post-School Education and Training that we need to consider as this centre develops. You cannot do everything and certainly not everything at once. Let us have a vision. I started by saying that we are trying to focus more on the needs of the economy and industry. Please let us not interpret that too narrowly. One of the needs of industry is transformation. A large proportion of professionals and managers within the sector do not reflect the demographic profile of our population. An opportunity now exists for progressive employers to address this challenge by sourcing competent TVET college graduates into their development programmes and redress the inequities of the past. This is a problem across the economy and not only restricted to the wholesale and retail sector.

Skills development can play a key role in changing this anomaly. Let us not train people for a narrow set of functions in a particular workplace. Let us ensure that the qualification that a person gets enables a person to do a range of jobs and allows a person to enter higher-level qualifications. Let us not just train people for what they are doing in lower grade jobs, but rather use training as a vehicle to open doors and break down racially constructed barriers. Let us try to support young people, and by the way, some of the older existing employees need our attention, to progress along career paths. For example, can we promote a model of recognition of prior learning, we refer to it as RPL, which enables competent people in a particular job to gain a qualification that takes them beyond their existing job to a higher-level one? Can this centre assist us in achieving this goal?

The other challenge we are not addressing very effectively in the skills system is that of skills to run small businesses and co-operatives. When we say it is important to meet the needs of industry we are not just saying current established large retail companies, but also small and emerging businesses. Can this new centre contribute to their needs as well? Your location is good for reaching out to disadvantaged students. Can you also reach out to businesses and co-operatives being formed in the townships? There is a long history of co-operatives in the food value chain, both in the agricultural sector and in townships. Let us find a way to reach out to such enterprises. Small businesses and co-operatives can be an important location for work-based skills development. Imagine if every small business was supported to take on and train an unemployed young person. This would make a huge contribution to reducing the number of young people who are currently not engaged in work or training. Our research tells us that most of those who complete learnerships and apprenticeships go on to find employment. Work experience really does help people to obtain work.

Of course if we do succeed in our goal of opening up workplaces to become training spaces, then we have to find ways of ensuring that real training takes place. This is not an easy matter, as training has not generally been viewed as the responsibility of employers, even though in reality a lot of informal training has been taking place. The challenge is to integrate the learning taking place at the college with the work being done in the workplace, what we are referring to Work Integrated Learning or WIL. One of the exciting possibilities of this new centre is to achieve a much closer

relationship between what is learned at the college and what is being done at work. This can be done in a formal manner, for example within the curriculum of a learnership or apprenticeship or it can be done outside of the formal curriculum in an internship, there is no single way of achieving this. The important thing is that the employers and the college must work together to achieve a level of alignment. People need to learn in the classroom or workshop, then apply their learning in a real work situation and be given the opportunity to reflect on their work and deepen their competence. I know we are asking a lot, but we want you to expand both the quantity of workplace opportunities and quality of the learning experiences.

Chairperson, stakeholders and partners in shaping the post-school education and training system, my thanks again to you for inviting me. I wish you all the best with this wonderful new centre. Please do invite me again and let it next time be to one of your award ceremonies, where I can witness real life stories of students who grasped this opportunity, became qualified and was absorbed into employment.

I look forward to being present and sharing in your successes.

I thank you.