

# Programme Performance

## Programme 3: Employment and Skills Development Services/Human Resource Development

**3.1 Purpose: To contribute to employment creation and skills development by promoting and monitoring the achievement of the objectives of the National Skills Development Strategy (NSDS) and the National Human Resource Development Strategy.**

**Table 3:1 Selected Performance Indicators**

Measure/Indicator	Target April 2008-March 2009	Actual April 2008 –March 2009
Number of Small BEE SMMEs and cooperatives that receive skills development support	1 200	2 251 small BEE enterprises and cooperatives received skills development support
Number of people participating in trade tests at the Institute for the National Development of Learnerships, Employment Skills and Labour Assessments (INDLELA)	10 000	8 337 people participated in trade tests at INDLELA
Percentage pass rate for trade tests	40%	41% pass rate
Number of artisans registered for training by Sector Education and Training Authorities (SETAs)	18 693	17 228

**Table 3.2: Progress made by the Employment and Skills Development Services (ESDS) and Human Resource Development (HRD) Subprogrammes towards meeting the 2008 /09 targets. The report covers the period 1 April 2008 to 31 March 2009:**

Measurable objective: To implement the National Skills Development Strategy 2005-2010.				
Subprogramme	Output	Measure/Indicator	Target April 2008-March 2009	Actual
<b>National Skills Fund (NSF) Admin and Transfers</b>	Implementation of National Skills Development Strategy (NSDS) 2005-2010 year 4 targets aligned to the Accelerated Shared Growth Initiative-South Africa (ASGI-SA)  Achieve NSF strategic projects targets in support of provincial growth and development strategies/ASGI-SA	Number of unemployed people assisted to enter learning programmes	16 000 people	41 336
		Number of people completed learning programmes	8 000 people	31 003
		Number of under-graduate bursaries awarded	4 500 people	1 752 under-graduate bursaries awarded
		Number of post-graduate bursaries awarded	1 500 people	997 post-graduate bursaries were awarded
		Number of Adult Basic Education and Training (ABET) learners registered by the NSF	40 000 people	21 413 NSF funded ABET learners recruited and commenced learning programmes

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Subprogramme	Output	Measure/Indicator	Target April 2008-March 2009	Actual
		Number of ABET learners completed programme	20 000 people	
		Number of unemployed people trained	90 000 unemployed people funded for training, 26% of which receive accredited training. Approved budget R844 million	R190.5 million disbursed for the training of unemployed people 15 169 unemployed people trained
		Number of trained unemployed people placed in employment	63 000 people	8 885 trained unemployed people placed in employment
		Number of non-levy paying co-ops receiving skills development support by March 2009	400 Community Based Co-Operatives	367 Community Based Co-Operatives have benefitted from skills development support funded by the NSF
<b>SETA co-ordination</b>	Implementation of National Skills Development Strategy 2005-2010 year 4 targets aligned to ASGI-SA	Scarce and critical skills list and database updated	September 2008	Scarce and critical skills list 2008 was finalised by the Skills Focus Group (SFG) and signed off by the Economic Investment Employment (EIE) cluster. Request for the printing of scarce skills publications was processed and forwarded to Chief Directorate of Communication and sent to stakeholders.
	Achievement of targeted SETA funded skills development programmes monitored	Number of non-levy paying organisations receiving skills development support by March 2009	At least 5 865 SMMEs, NGOs, co-ops and small BEE enterprises	7 601 SMMEs, NGOs, co-ops and small BEE enterprises received training

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Subprogramme	Output	Measure/Indicator	Target April 2008-March 2009	Actual
		Number of ABET employed learners trained by March 2009	44 640 ABET employed learners to be trained by March 2009	40 851 employed learners registered with ABET programmes and 14 221 learners completed their training
		Number of workers assisted to enter scarce and critical skills in learnerships, apprenticeships, internships, bursaries and skills programmes	56 506 workers to be assisted to enter scarce and critical skills in learnerships, apprenticeships, internships, bursaries and skills programmes	103 293 learners assisted to enter scarce and critical skills programmes 109 270 workers completed training programmes
		Number of unemployed people assisted to enter scarce and critical skills programmes in learnerships, apprenticeships, internships, bursaries and skills programmes	43 316 unemployed people assisted to enter scarce and critical skills programmes in learnerships, apprenticeships, internships, bursaries and skills programmes	60 125 unemployed people assisted to enter scarce and critical skills programmes 63 658 unemployed people completed learning programmes
		Number of learners in areas of critical skills placed for experience locally and internationally	9 088 learners in areas of critical skills placed for experience locally and internationally	13 148 learners placed in workplaces
		Number of youth trained in New Venture Creation (NVC)	3 276 youth trained in New Venture Creation	3 900 youth trained in New Venture Creation

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Subprogramme	Output	Measure/Indicator	Target April 2008-March 2009	Actual
INDELELA	Assessment services	The number of candidates assessed at INDELELA annually	10 000 candidates by March 2009	8 337 assessed 3 392 passed  Pass rate = 41%
	Backlog on assessments	All applicants to be assessed within the acceptable period	All applicants to be assessed within two months	Backlogs as at February 2009  Electrical Trade Applications are full until April 2010  Bricklaying, Welders and Carpenters applications are full until June 2009  Riggers applications are full until July 2009  Motor Mechanics applications are full until May 2009
	Provision of Train the Trainer Programmes	A number of assessors, moderators, facilitators and assessment tools developers trained in the current financial year	20 Assessors 20 Moderators 20 Facilitators 20 Assessment tools developers	Total trained 26 Assessors 11 Moderators 12 Facilitators 24 Assessment tools developers were trained

**Table 3.3 Achievements against the NSDS 2005-2010 year four (2008-9) targets**

Goal	Key performance indicator	Annual targets for 2008/09	Performance results April 2008 to March 2009	Reasons for variance
1. Prioritising and communicating critical skills for sustainable growth, development and equity	1.1. Skills Development supports national and sectoral growth, development and equity priorities	Skills development supports national and sectoral growth, development and equity priorities	Publications of the scarce skills list were produced and distributed to stakeholders at the skills conference and to departmental offices and SETAs	

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Goal	Key performance indicator	Annual targets for 2008/09	Performance results April 2008 to March 2009	Reasons for variance
		<p>The NSF will fund the printing of the guide</p> <p>The NSF will fund the training of career guidance counsellors in the use of the information</p> <p>[NSDS Lever 1.2]</p>	<p>The National Master Scarce Skills List for South Africa 2008 was updated and printed by October 2008.</p> <p>NSF budget was available</p>	<p>Career guidance focus was on putting structures in place, including appointment of counsellors. Therefore no funding was requested from the NSF for training of career guidance counsellors</p>
	<p><b>1.2. Information on critical skills is widely available to learners. Impact of information dissemination researched, measured and communicated in terms of rising entry, completion and placement of learners</b></p>	<p>15 139 Sector Development Facilitators (SDF) and Sector Specialists trained</p> <p>(15 019 by SETAs)</p> <p>(120 by Productivity SA)</p>	<p>18 836 SDF and Sector Specialists trained</p> <p>(18 760 by SETAs)</p> <p>(78 by Productivity SA)</p>	<p>Productivity SA entered into an agreement with BankSeta under whose terms the SETA was to facilitate the training of 45 Sector Specialists in 2008/09. BankSeta moved the training backwards to May 2009</p>
<p><b>2. Promoting and accelerating quality training for all in the work place</b></p>	<p><b>2.1. By March 2010 at least 80% of large firms' employment equity targets are supported by skills development. Impact on overall equity profile assessed</b></p>	<p>3 480 large firms and 4 791 medium firms to be supported through skills development</p>	<p>4 284 large firms and 5 670 medium firms (123% and 118% of the target respectively) were supported through skills development</p>	
	<p><b>2.2. By March 2010 skills development in at least 40% of small levy-paying firms supported and the impact of the support is measured</b></p>	<p>25 004 small levy-paying firms supported through skills development</p>	<p>26 736 small levy-paying firms (107% of the target) supported through skills development</p>	

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Goal	Key performance indicator	Annual targets for 2008/09	Performance results April 2008 to March 2009	Reasons for variance
	<b>2.3. By March 2010 at least 80% of government departments spend at least 1% of personnel budget on training and impact of training on service delivery measured and reported</b>	84 government departments spend at least 1% of personnel budget on training	65 government (77% of the target) departments spent at least 1% of personnel budget on training	There is a lack of cooperation by government departments
	<b>2.4. By March 2010 at least 500 enterprises achieve a national standard of good practice in skills development approved by the Minister of Labour</b>	A national standard of good practice in skills development submitted to the Minister for approval	A Framework on Good Practice in Skills Development and Awards was approved and successfully piloted in 2008. Thirty-two companies received Ministerial Awards at the October 2008 Skills Conference for their outstanding contribution to national skills development	The NSA resolved to waive the implementation of objective 2.4 of the National Skills Development Strategy for two years pending further research on possible policy options for the national standard
	<b>2.5. Anually increasing number of small BEE firms and BEE co-operatives supported by skills development. Progress measured through an annual survey of BEE firms and BEE co-operatives within the sector from the second year onwards. Impact of support measured</b>	A total of 1 406 small BEE firms and BEE co-operatives supported with skills development	A total of 2 251 Small BEE and BEE co-ops (160% of the target) were supported	

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Goal	Key performance indicator	Annual targets for 2008/09	Performance results April 2008 to March 2009	Reasons for variance
	<p><b>2.6. From April 2005 to March 2010 there is an annually increasing number of people who benefit from incentivised training for employment or re-employment in new investments and expansion initiatives. Training equity targets achieved. Of number trained, 100% to be SA citizens</b></p>	<p>Annually increasing number of people who benefit from incentives training for employment / re-employment in new investments and expansion initiatives</p> <p>A) Workplace Skills Development Support Programme (WSDSP) effectively implemented (10% increase on previous year's beneficiary numbers achieved)</p> <p>B) BPO&amp;O (Business Process Outsourcing and Offshoring) Training Grant as part of DTI Investment Incentive programme effectively implemented (Process all applications and claims received within the timeframes and prescripts as agreed in the MoU) [new programme since July 2007]</p> <p>R60 million committed over a 3-year period. 12 440 workers targeted to benefit</p> <p>Establish 120 Future Forums and give support on developing strategies and work plans</p> <p>Develop 70 and implement 50 turnaround strategies</p>	<p>2 069 new workers benefited from the Workplace Skills Development Support Programme (WSDSP)</p> <p>The total number of workers trained is 6 156</p> <p>All those trained are South African Citizens</p> <p>The total WSDSP training expenditure is R19, 77 million and 45 SMMEs benefited</p> <p>151 new workers benefited from the BPO&amp;O Training Grant.</p> <p>Eight ( 8) applications were processed and adjudicated by the BPO&amp;O Adjudication Committee – 7 were approved and 1 was pending</p> <p>One claim was paid to the amount of R1 596 million</p> <p>Productivity SA established 105 future forums under the Social Plan Technical Support Facility process</p> <p>Productivity SA developed 59 and implemented 0 turn-around strategies to prevent job losses in terms of the Social Plan</p>	<p>The implementation of the Future Forums objective slowed down due to financial challenges met</p> <p>Implementation did not take place due to financial challenges met</p>

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Goal	Key performance indicator	Annual targets for 2008/09	Performance results April 2008 to March 2009	Reasons for variance
	<b>2.7. By March 2010 at least 700 000 workers have achieved at least ABET level 4</b>	SETAs committed to a target of 44 640 workers registered at all ABET levels and 30 572 completing across all ABET levels	40 851 workers registered at on all four ABET levels 14 221 completed ABET programmes at all levels	50% of the SETAs state that the targets for ABET are not based on empirical research into ABET needs in each sector. 21 SETAs are faced with the challenge of high attrition and drop out rates at all levels
	<b>2.8 By March 2010, at least 125 000 workers are assisted to enter and 50% successfully complete programmes, including learnerships and apprenticeships, leading to basic entry, intermediate and high level scarce skills. Impact of assistance measured.</b>	A) The SETA target was that 56 506 workers are assisted to enter and 33 651 successfully complete programmes, including learnerships, and apprenticeships  B) Productivity SA had a target of training 480 educators, 26 trainers, 50 government and SOE managers, 480 general workers and 360 public service officials in productivity and productivity concepts	SETAs supported 103 293 learners to join learning programmes and 109 270 to successfully completed these programmes  1 059 educators, 55 trainers, 106 government and SOE managers, 463 general workers trained. These figures represent a 220%, a 211%, a 212%, a 96%, and a 0% rates of achievement respectively	The completion figure is higher than the entry figure because some learning programmes take longer than a year to complete Learners completing therefore include entrants of previous reporting years  There was poor response from public service officials to Productivity SA's campaign
<b>3. Promoting employability and sustainable livelihoods through skills development</b>	<b>3.1 By March 2010, at least 450 000 unemployed people are trained. This training should incrementally be quality assured and by March 2010 no less than 25% of the people undergo accredited training. Of those trained at least 70% should be placed in employment, self-employment or social development programmes</b>	90 000 unemployed people trained  63 000 (70%) placed in employment, self-employment or social development programmes, including EPWP 25% of training quality assured	A total of unemployed people were trained 15 169  Of the training 22% was accredited. Of those trained 8 885 learners were placed in employment  These figures reflect the rollover training from the previous financial year. Total NSF expenditure on training of the unemployed R1 905 million  UYF enrolled, trained and placed 34 906 unskilled youth	There was suspension of training initiatives in provinces in 2008 due to Social Development Funding Window (SDFW) procurement procedure misalignment with Department of Labour Supply Chain Management Policy. SDFW Prospective Training Provider List approved by DBAC on 26 November 2008  Not all 2008/09 UYF projects were approved due to funding limitations

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Goal	Key performance indicator	Annual targets for 2008/09	Performance results April 2008 to March 2009	Reasons for variance
	including Extended Public Works Programmes (EPWP), or should be engaged in further studies. Placement categories each to be defined, measured, reported and sustainability assessed	Umsobomvu Youth Fund (UYF) had a target of facilitating the enrolment, training and placing in community service programmes of 38 000 unemployed youth		
	<b>3.2 By March 2010 at least 2 000 non-levy paying enterprises, NGOs, CBOs and Community-based co-operatives supported by skills development. Impact of support on sustainability measured with a targeted 75% success rate</b>	<p>The annual target for SETAs was that 5 865 non-levy paying enterprises are supported through skills development</p> <p>The NSF's target was that at least 400 Community Based Co-Operatives are supported by skills development</p> <p>Productivity SA had a target of training 1 800 SMMEs in productivity. The organisation achieved a 55.5% success rate having provided training for 910 SMMEs in the year</p>	<p>A total of 7 601 enterprises (130% of the SETA target) were supported by SETAs through skills development</p> <p>29 signed Memorandum of Agreements (MoA) are in operation with service providers and cover a total of 367 Small Community Based Co-Ops across all provinces</p> <p>About 4 000 Co-ops workers will benefit from the skills support arrangement. Equity targets are            Females – 65%            Blacks – 95%            Youth – 41%            People with disabilities – 4%</p> <p>Productivity SA provided training for 910 SMMEs in the year; 55% of the target</p>	<p>3 MoA affecting 33 co-ops were cancelled due to non compliance to MoA conditions and mis-management</p> <p>The target was not achieved because of financial challenges faced by Seda which organisation under the condition of an MOU entered into with PSA was to facilitate training processes</p>
	<b>3.3. By March 2010 at least 100 000 unemployed people have participated in ABET level programmes of which at least 70% have achieved ABET level four</b>	<p>40 000 unemployed people participate in ABET Level programmes of which 70% have achieved ABET Level 4</p> <p>At least 20 000 ABET learners complete programmes</p>	<p>The number of ABET learners registered is 73 438</p> <p>Number of learners completed 27 194</p>	

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Goal	Key performance indicator	Annual targets for 2008/09	Performance results April 2008 to March 2009	Reasons for variance
4. Assisting designated groups, including new entrants to participate in accredited work, integrated learning and work-based programmes to acquire critical skills to enter the labour market and self-employment	4.1. By March 2010 at least 125 000 unemployed people assisted to enter and at least 50% successfully complete programmes, including learnerships and apprenticeships, leading to basic entry, intermediate and high level scarce skills. Impact of assistance measured	<p>SETAs target was that 43 316 unemployed people are assisted to enter learning programmes and at least 50% successfully complete those learning programmes including learnerships and apprenticeships</p>	<p>60 125 unemployed learners were assisted to enter learning programmes and 63 658 unemployed learners successfully completed the learning programmes</p>	<p>The completion figure is higher than the entry figure because some learning programmes take longer than a year to complete. Learners completing therefore include entrants of previous reporting years</p>
		<p>Productivity SA had the objective of providing internships for 50 industrial engineering graduates</p>	<p>The organisation achieved a 10% success rate through developing internships for 5 industrial engineers</p>	<p>The organisation had limited resources for the implementation of this project</p>
		<p>The objective of UYF Graduate Development Programme was to recruit and enrol 6 300 unemployed graduates in life skills and work readiness programmes. All 6 300 graduates were to complete. Of the 6 300 completed graduates, 4 500 were to be linked to job employment opportunities.</p>	<p>The organisation achieved a 27.7% success rate in recruiting and enrolling unemployed graduates whereby 1 750 graduates were recruited and enrolled against the target. It achieved a 0% success rate against the completion target and a 0% success rate against the placement target</p>	<p>The Graduate Development Programme did not achieve its objectives because of partners renegeing on their commitments.</p>
		<p>The objective of one of UYF's special projects was to provide accredited basic training to young people to enable them to access further learning. The 2008/09 target set as part of this objective is the training of 3 641 young people</p>	<p>The organisation achieved a 0% rate of success in the pursuit of this objective.</p>	<p>The Project Management programme which focuses on special skills projects is currently under review</p>
		<p>The NSF objective was to fund the awarding of 4 500 scarce skills undergraduate bursaries and 1 500 scarce skills post-graduate bursaries.</p>	<p>The NSF funded the awarding of 4 869 undergraduate bursaries through the NSFAS and a total of 997 post graduate bursaries were awarded through the NRF</p>	

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Goal	Key performance indicator	Annual targets for 2008/09	Performance results April 2008 to March 2009	Reasons for variance
	4.2. 100% of learners in critical skills programmes covered by sector agreements from Further Education and Training (FET) and Higher Education and Training (HET) institutions assisted to gain work experience locally or abroad, of whom at least 70% find placement in employment or self-employment	The annual collective SETAs target was that 9 088 learners in critical skills programmes are covered by sector agreements from FET and HET institutions and are assisted to gain work experience. At least 70% of these learners should find placement	13 148 learners in critical skills programmes were assisted to enter the workplace (145% of the target)	
	4.3. By March 2010 at least 10 000 young people trained and mentored to form sustainable new ventures and at least 70% of new ventures in operation 12 months after completion of programme	The collective SETA's target was that 3 276 young people are trained and mentored to form sustainable new ventures and at least 70% of new ventures should be still in operation 12 months after the young people have completed the programme	3 900 young people were trained by SETAs to create new ventures and 475 of the new ventures created are sustainable	A few SETAs state that young people are not necessarily the people best able to create sustainable new ventures. SETAs also do not have the funds to provide seed capital for new ventures
5. Improving the quality and relevance of provision	5.1. By March 2010 each SETA recognises and supports at least 5 Institutes of Sectoral and Occupational Excellence (ISOE) within public or private institutions and through Public Private Partnerships (PPPs) where appropriate, spread as widely as possible geographically for the development of people to attain identified critical occupational skills, whose excellence is measured in the number of learners successfully placed in the sector and employer satisfaction ratings of their training	511 Institutes of Sectoral and Occupational Excellence (ISOE) are recognised and supported by SETAs	449 Institutes of Sectoral and Occupational Excellence (ISOE) were recognised and supported by SETAs	A number of institutions identified as ISOEs need human and other resources. Different SETAs are targeting the same institutions as candidates for an ISOE status

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Goal	Key performance indicator	Annual targets for 2008/09	Performance results April 2008 to March 2009	Reasons for variance
	5.2. By March 2010, each province has at least two provider institutions accredited to manage the delivery of the new venture creation qualification. 70% of new ventures still operating after 12 months will be used as a measure of the institutions' success	92 provider institutions accredited to manage the delivery of the new venture creation qualification	138 provider institutions were accredited to manage the delivery of the new venture creation qualification	
	5.3. By March 2010 there are measurable improvements in the quality of the services delivered by skills development institutions and those institutions responsible for the implementation of the National Qualification Framework (NQF) in support of the National Skills Development Strategy (NSDS)	Measurable improvement in the quality of the services delivered by skills development institutions	<p>The refinement of the draft QCTO policy document is continuing. This will assist in positioning the policy document accordingly within the NQF framework. Draft QCTO regulations called "The Occupational Qualifications Regulations" have been developed. The regulations are now ready to be tabled to the Quality Council for Trades and Occupations (QCTO) Board once established for further processing and finalisation. The draft QCTO Regulations' criteria and guidelines are being developed now that the draft regulations are in place</p> <p>The appointment of QCTO Board members as well as establishing an interim operational team for the QCTO is in progress</p>	
	5.4. By March 2010, there is a National Skills Authority (NSA) constituency based assessment of an improvement in stakeholder capacity and commitment to the National Skills Development Strategy	NSA constituency based assessment of improvement in stakeholder capacity development	<p>The NSF availed R20 million to the 18 constituencies of the NSA for the capacity building of their members. In this reporting period only 7 constituency organisations took up the funding offer and 3 263 members benefitted. R 12 210 554 was disbursed</p>	

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### Programme 3: Employment and Skills Development Services/Human Resource Development

#### 3.4 Skills levies collected and transferred to SETAs and NSF

**Table 3.4** illustrates the total levies collected by SARS and transferred to SETAs and the NSF within 30 days of each second month. The amounts represent 1% of the employer's payroll. It further illustrates the total amount collected and transferred to SETAs and the NSF by end of March 2009.

**Table 3.4 Skills levies collected and transferred to SETAs and NSF**

Levy year	Year collected 1 April 2008- March 2009	Total amount collected	Amount transferred to SETAs during the levy year	Amount transferred to NSF during the levy year
2008/09	1 April 2008- March 2009	7 333 171 049	5 866 536 837	1 466 634 212
<b>Grand total</b>		<b>7 333 171 049</b>	<b>5 866 536 837</b>	<b>1 466 634 212</b>

#### 3.5 Productivity SA

Productivity SA's key priorities include promoting productivity knowledge and awareness, skills development and accelerating productivity within the non-formal economy through interventions that encourage social dialogue and collaboration between partners.

Progress made by Productivity SA on its workplan for 2008/09 is as reflected in **Table 3.5**

**Table 3.5 Productivity SA's progress in 2008/09**

Indicator	Annual targets for 2008/09	Achievements April 2008 to March 2009
Number of education and training service providers and productivity trainers accredited	26	55
Number of emerging entrepreneurs trained in productivity improvement and competencies	1 800	910
Number of skills development facilitators trained in productivity	120	78
Number of managers and workers trained to enhance productivity competencies and mindsets in private and public enterprises	530	569
Number of future forums established at companies with turnaround solutions	120	105

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### Programme 3: Employment and Skills Development Services/Human Resource Development

#### 3.6 Umsobomvu Youth Fund

The Umsobomvu Youth Fund's key priorities include improving access to employment opportunities through the provision of career development information, counselling and the linking young people to employment opportunities; expanding support for entrepreneurial activity and self-employment through the provision of entrepreneurship information and entrepreneurship training. The Fund also undertakes graduate development, facilitates young people's access to scarce and critical skills training and engages young people in community service and voluntarism.

Progress made by the Umsobomvu Youth Fund on its workplan for 2008/09 is as reflected in **Table 3.6**

**Table 3.6 Umsobomvu Youth Fund's progress in 2008/09**

Indicator	Annual targets for 2008/09	Achievements April 2008 to March 2009
Number of youth advisory centres (full service, points and kiosks)	288	151
Number of young people acquiring skills through the NYS projects (category 1)	38 500	34 000
Number of unemployed graduates enrolled in training programmes to improve their skills to access employment opportunities	6 000	700
Value of business opportunities sourced	R830 million	R39 667 960
Number of jobs created or sustained through SMMEs	14 400	12 980

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### Programme 4: Labour Policy and Labour Market Programmes

Indicator	Programme	Past			Current	Projections		
		2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Percentage of top 100 Johannesburg Securities Exchange (JSE) listed companies assessed for employment equity	Labour Policy and Labour Market Programmes	-	6% (6)	26% (26)	74% (74)	-	-	-

***NB: Kindly note that the number of companies that have been assessed until 2008/09 has been corrected. The 60 companies to be assessed in 2009/10 - 2012 has been removed because 106 companies have now been assessed against the top 100 JSE listed companies initially planned for.***

Furthermore, in 2009/10, the Directorate will be focusing on conducting the follow-ups on the 106 companies assessed in the previous 3 years, although some companies may still be assessed from provincial level as part of the process of building capacity in the provinces.

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### Programme 5: Social Insurance

Social Insurance provides for the compensation of civil servants in cases of accidents or illnesses sustained while on duty through the Compensation Fund. It also contributes to the Unemployment Insurance Fund when necessary.

Both the Compensation Fund and the Unemployment Insurance Fund publish their own Annual Reports in terms of the Public Finance Management Act.

## Programme Performance

### National Skills Fund

### National Skills Fund Performance

The National Skills Fund was established in 1999 in terms of the Skills Development Act, 1998. The primary objective of the National Skills Fund is stipulated in the Skills Development Act, namely that the money in the NSF may be used only for the projects identified in the National Skills Development Strategy (NSDS) as national priorities or for such other projects related to the achievement of the purposes of the Act as the Director-General of the Department of Labour determines.

The NSF primarily provides funding and policy development in order to meet objectives of the NSDS for 2005-2010.

#### **Performance against NSDS 2005-2010**

Goal	Key performance indicator	Target (2008/09)	Performance results	Reason for variance
<b>1. Prioritising and communicating critical skills for sustainable growth, development and equity.</b>	NSDS Success Indicator 1.2: Information on critical skills is widely available to learners. Impact of information dissemination researched, measured and communicated in terms of rising entry, completion and placement of learners.	The NSF will fund the printing of the guide.  The NSF will fund the training of career guidance counsellors in the use of the information  [NSDS Lever 1.2].	The National Master Scarce Skills List for South Africa, 2008, was updated and printed by October 2008. 10 000 booklets were printed and disseminated at the National Skills Conference in October 2008 and to provincial offices and labour centres.  NSF budget was available.	No funding was requested from the NSF for training of career guidance counsellors.

# Programme Performance

## National Skills Fund

Goal	Key performance indicator	Target (2008/09)	Performance results	Reason for variance
2. Promoting and accelerating quality training for all in the workplace.	NSDS Success Indicator 2.6: From April 2005 to March 2010 there is an annually increasing number of people who benefit from incentivised training for employment or re-employment in new investments and expansion initiatives. Training equity targets achieved. Of number trained, 100% to be SA citizens.	1. Workplace Skills Development Support Programme (WSDSP) effectively implemented (10% increase on previous year's beneficiary numbers achieved).	1. Target <b>ACHIEVED</b> Total No. of workers trained increased 82% during 2008/09 – 6 156 (2007/08 – 3 378) New workers received training – 2 069 (2007/08 – 2 368) (Equity: Black – 88%, Female – 38%).	
		2. BPO&O Training Grant as part of DTI Investment Incentive Programme effectively implemented (Process all applications and claims received within the timeframes and prescripts as agreed to in the MoU) [new programme since July 2007].	All were SA Citizens.  45 SMEs benefited (53 claims paid) Total expenditure – R19,77 million.  Total new workers benefiting since April 2005 – 10 934.  Target <b>ACHIEVED</b> .  All applications (8) were processed of which 7 were approved. R 60 million training grants were committed over a 3-year period (100% of available budget).  In total 12 440 workers are targeted to benefit. One claim was received, processed and paid to the amount to R1,6 million.	

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### National Skills Fund

Goal	Key performance indicator	Target (2008/09)	Performance results	Reason for variance
<b>3. Promoting employability and sustainable livelihoods through skills development.</b>	NSDS Success Indicator 3.1: By March 2010, at least 450 000 unemployed people are trained. This training should incrementally be quality assured and by March 2010 no less than 25% of the people undergo accredited training. Of those trained at least 70% should be placed in employment, self-employment or social development programmes including EPWP, or should be engaged in further studies. Placement categories each to be defined, measured, reported and sustainability assessed.	NSF to provide funding for the training of unemployed people - <ul style="list-style-type: none"> <li>● 90 000 unemployed people trained.</li> <li>● 63 000 (70%) placed in employment, self-employment or social development programmes, including EPWP.</li> <li>● 25% of training quality assured.</li> </ul>	Approved a budget of R844 million for the year.  Training targets not met as only 15 169 people were trained and 8 885 placed.  Accredited training – 22%. Number trained for EPWP projects – 10 390 (form part of the numbers indicated above). Equity: Blacks – 98%; Women – 54%; People with disabilities (PWD) – 2%; Youth – 61%.  Total expenditure on training of unemployed people came to R 190 136 million.	Suspension of training initiatives in provinces in 2008 due to SDFW procurement procedure misalignment with Department of Labour SCM-Policy. SDFW. The procurement process has since been revised and new operational procedures approved.
		Monyetla Work Readiness Pilot Programme:  1 000 unemployed people trained for the Call Centre sector and 70% placed in employment.	Impact with effect from 1 April 2005 (NSDS): Total unemployed people trained under SDFW – 338 414 + Monyetla learners 1 129 = 339 543 (75,5% of target) Placed (of those trained) – SDFW 226 006 + Monyetla 1 016 = 227 022 (66,8%) Accredited training - 22% (average over 4 years).	
	NSDS Success Indicator 3.2: By March 2010, at least 2 000 non-levy paying enterprises, NGOs, CBOs and Community-based co-operatives supported by skills development. Impact of support on sustainability measured with a targeted 75% success rate.	The NSF target – at least 400 Community Based Co-Operatives are supported by skills development.	Target marginally not achieved, due to unforeseen circumstances.  NSF contribution: 367 Small Community Based Co-Ops across all provinces. ±4 000 Co-ops workers will benefit from the skills support arrangement.	3 MoAs affecting 33 co-ops were cancelled due to non-compliance to MoA conditions and mis-management.

# Programme Performance

## National Skills Fund

Goal	Key performance indicator	Target (2008/09)	Performance results	Reason for variance
			<p>Equity targets are Females – 65%; Blacks – 95%; Youth – 41%; PWD – 4%).</p> <p>Total amount spent on skills development – R16,2 million (77% of the budget amount of R21 million).</p>	
	<p>NSDS Success Indicator 3.3: By March 2010, at least 100 000 unemployed people have participated in ABET level programmes of which at least 70% have achieved ABET level 4.</p>	<p>Targeted skills development programmes achieved:</p> <ul style="list-style-type: none"> <li>● 40 000 ABET Learners registered by March 2009</li> <li>● At least 20 000 ABET learners complete programmes by March 2009.</li> </ul>	<p>A total of 40 110 learners were registered for ABET programmes. A total of R119 million was spent.</p> <p>None of the 40 110 learners completed the programme</p> <p>A further 33 328 ABET learners were registered under the Strategic Projects and Discretionary Funding Windows. Of these 27 194 completed their programmes.</p> <p>The cumulative total number of ABET learners since 2005 now stands at 93 425 representing 93% of the target of 100 000 learners by March 2010.</p>	<p>Learners could not complete due to the projects starting mid-way through the reporting year</p>

# Programme Performance

## National Skills Fund

Goal	Key performance indicator	Target (2008/09)	Performance results	Reason for variance
<p><b>4. Assisting designated groups, including new entrants to participate in accredited work, integrated learning and work-based programmes to acquire critical skills to enter the labour market and self-employment.</b></p>	<p>NSDS Success Indicator 4.1: By March 2010 at least 125 000 unemployed people assisted to enter and at least 50% successfully complete programmes, including learnerships and apprenticeships, leading to basic entry, intermediate and high level scarce skills. Impact of assistance measured. [Joint target of NSF and SETAs].</p>	<ul style="list-style-type: none"> <li>● 16 000 unemployed learners enter learning programmes (learnerships, apprenticeships, etc.) by March 2009.</li> <li>● 8 000 unemployed people complete learning programmes (learnerships, apprenticeships, etc.)</li> <li>● Funding of bursaries in scarce skills:               <ul style="list-style-type: none"> <li>- 4 500 undergraduate bursaries awarded</li> <li>- 1 500 post-graduate bursaries awarded.</li> </ul> </li> </ul>	<p>A total of 17 599 learners entered various learning programmes on scarce and critical skills.</p> <p>A total of 4 080 completed programmes.</p> <p>NSF funded the awarding of 4 869 undergraduate bursaries through the NSFAS. A total of 997 post graduate bursaries were awarded through the NRF.</p> <p>The numbers reported above contribute to the overall target of 125 000 learners by March 2010. The NSF has contributed R531million in grant allocations to SETAs.</p>	<p>Due to the duration of the learning programmes it was not possible to complete them within a year.</p>
<p><b>5. Improving the quality and relevance of provision.</b></p>	<p>NSDS Success Indicator 5.4: By March 2010, there is an NSA constituency based assessment of an improvement in stakeholder capacity and commitment to the National Skills Development Strategy.</p>	<p>NSF to provide funding for NSA constituency stakeholders for capacity building of members.</p>	<p><b>ACHIEVED.</b> NSF availed R20 million to the 18 constituencies of the NSA. Seven (7) constituency organisations took up the funding and 3 263 members benefited from the training. Total expenditure – R12 195 million.</p>	

## Programme Performance

### National Skills Fund

#### Project highlights

##### Monyetla Work Readiness Project

This project was implemented in partnership with the Department of Trade and Industry in support of the Business Process Outsourcing and Off-shoring (BPO&O) sector, as one of the top three priority sectors to stimulate growth within the Accelerated Shared Growth Initiative (ASGI-SA). The sector is identified for its potential to attract investment and create employment opportunities in the economy.

The NSF made available an amount of R17,1 million to cover the costs of training 1 000 unemployed people as entry level BPO agents using the Monyetla model. The Business Trust provided R2,9 million for project design, implementation and evaluation.

This joint project focuses on six objectives that were identified as crucial to make South Africa a favourable location for BPO&O, specifically to:

- support the effective marketing of South Africa as a competitive BPO&O destination
- develop and deepen a pool of internationally competitive talent
- create an enabling environment of infrastructure and incentives
- assure the quality of the South Africa offering
- mobilise industry to be increasingly competitive in the promotion of South Africa as a centre for value based off-shoring
- Optimise the impact on the second economy.

The availability of work-ready talent is one of the key factors considered by prospective international and national investors in the sector. Cross-sector research on the current training situation led to the formulation of a skills development needs analysis with three objectives for focused, rapid development of talent for the BPO&O sector, i.e.:

- to increase the pool of entry-level employable people
- to accelerate the development of home-grown supervisors and managers by developing supervisors, team leaders and managers through the skills development system
- to ensure the ongoing development of a globally competitive talent pool by encouraging life-long learning and training through the National Skills Development Strategy.

The scope of the pilot project was as follows:

- Provide 1 000 unemployed South Africans from the NSDS target group with entry-level skills appropriate for the BPO&O sector
- Place 70% learners in employment on completion of the skills programme
- Enable successful learners to enter the Level 2 Contact Centre Learnership with 60 credits of the 128 credits required
- Increase the pool of developed BPO&O talent by ensuring that one home-grown supervisor is developed for every six Monyetla learners, using the levy-grant system that is managed by Sector Education and Training Authorities.

##### Achievements of the project:

- A total of 1 307 young unemployed people benefitted by the training, i.e. 30% more than the original target
- Of those that commenced the training (16 weeks, 60-credit skills programme) 1 129 completed (86%)
- Of those completing the training and found competent, 1 016 (90%) gained employment, of which 740 were women and 276 men
- 368 were trained as supervisors

## Programme Performance

### National Skills Fund

- 179 learners proceeded to complete the full Contact Centre Level 2 qualification (128 SAQA credits). A further 200 learners are busy completing the full Contact Centre Level 2 qualification.

### Workplace Skills Development Support Programme Project

Invisible Card (Pty) Ltd, Somerset West in the Western Cape is one of 45 SME enterprises that received training incentive grants from the NSF during the reporting period in support of the Small Medium Enterprise Development Programme (SMEDP) incentive programme of the Department of Trade and Industry.

A total of 70 newly appointed workers (32 Black males, 12 Black females, 12 White females, 7 White males) received training in skills programmes. The training incentive grants amounted to R1 003 244 over a period of three years (1 July 2005 to 30 June 2008). The average cost per learner is R14 332 per learner. The training done was as follows:

● Operators trained in Health and Safety.....	8
● Operators trained in First Aid.....	7
● Cutting programme (operators).....	6
● Operators trained in Integrated Manufacturing Programme.....	55
● Packaging and dispatch.....	14
● Exporting methods and legal requirements .....	5
● Quality control .....	60
● Productivity awareness .....	60
● Supervisors in conflict mediation .....	6
● Storekeeping and stock control .....	5
● Supervisors in operational management .....	9
● Trainers (Train the trainer course) .....	6

### KwaZulu-Natal Strategic Project

The project is implemented in partnership with the Provincial Government of the KwaZulu-Natal Province. The project would be implemented over a three-year period spanning from January 2007 to December 2009. The aim of the project is to deliver appropriate skills and knowledge (both technical and soft) in order that beneficiaries can participate fully in economic activity both within second and first economies. The objectives of the projects are aimed at addressing the following:

- Reducing challenges of illiteracy and unemployment, especially among women, youth and people with disabilities
- Alleviating poverty
- Developing scarce skills
- Developing the SMME sector through cooperatives
- Improving economic growth.

## Programme Performance

### National Skills Fund

#### Achievements of the project

The project planned to reach a total of 17 520 learners pursuing various learning programmes including ABET. By March 2009 (27 months into the implementation period) the project has already exceed its target. The table below provides a summary of this achievement.

Name of programme	Target learners	Achieved by March 2009
Learnerships	580	507
Apprenticeships	240	40
ABET	16 700	27 194
<b>Total</b>	<b>17 520</b>	<b>27 741</b>

The ABET Programme in KZN was implemented as part of the Masifundisane Literacy Campaign. The campaign targets those people who never had the opportunity to go to school and consequently have low levels of literacy.



Participation into this ABET project exceeded expectations as the result indicate but one highlight of this project is the story of Gogo Alice who could not read or write before joining the programme. Gogo Alice has overcome this challenge.