

**09 NOVEMBER 2010**

**PRESS BRIEFING BY THE MINISTER OF HIGHER EDUCATION AND TRAINING ON THE NEW SETA LANDSCAPE FOR THE PERIOD APRIL 2011 TILL MARCH 2016**

**SETA LANDSCAPE PROCESS**

The purpose of today's press briefing is that of announcing the new Sector Education and Training Authorities (SETAs) landscape through the relicencing of the SETAs for the 2011-2016 five year period.

**Background**

On 29 April 2010, I announced the SETA landscape and NSDS III as proposed by the DHET at a media briefing. At that meeting I was accompanied by the Chairperson and EXCO of the National Skills Authority (NSA).

I released the publication of the proposed Sector Education and Training Authorities landscape 2011 to 2016 in Government Gazette No.33149 of 30 April 2010 for a period of 60 days from date of publication inviting the public and relevant stakeholders to comment on the proposed landscape. The National Skills Authority, which is the advisory body to the Minister on all matters relating to skills development subsequently held extensive consultations (between 14 and 18 June 2010) with all stakeholders, and from this process advised me on the new SETA landscape. This advice was based on the NSA analysis of all the information gathered from its public hearings and other interactions.

The final SETA landscape to be announced today are also based on the application of the criteria provided for in the Skills Development Act, 1998, and other broader considerations informed by the imperative of creating a post-school system aimed at addressing the skills needs of our country, for both the youth and adult sectors of our population.

The approach adopted in the finalisation of this new SETA landscape was that of ensuring the broad coverage of skills development in all key sectors of our economy, and by ensuring that each SETA is located as close as possible to its relevant economic sector. Whilst appreciating the necessity to transform the SETAs as primary instruments to facilitate skills development in our economy, at the same time we did not want to introduce changes that would disrupt the closeness of each SETA to its relevant economic sector. Our considerations were also informed by the New Growth Path recently adopted by government, as well as the imperatives of the Industrial Policy Action Plan 2 (IPAP 2).

I however wish to state that much as I was very sympathetic to the many arguments for creating fewer SETAs, it was my view that this is a goal that we have to work towards over the next five years whilst concentrating on a closer match between SETAs and the various economic sectors which they have to serve and without hastily disrupting this synergy.

### **The new SETA landscape**

Based on Section 9 (1) and (2) of the Skills Development Act, 1998, after consultation with the National Skills Authority and read with Government Notice No. R.1082 of 7 September 1999 as amended, I announce the establishment of the Sector Education and Training Authorities (SETAs) by Government Gazette as indicated in schedule 1 from 1 April 2011 to 31 March 2016 with a jurisdiction as follows:

18 SETA's **remain the same** or have minimal sic code transfers as follows;

The following 12 **SETA's are to be reestablished with no change**

- Financial and Accounting Services SETA (FASSET),
- Banking Sector Education & Training Authority (BANKSETA),
- Chemical Industries Education & Training Authority (CHIETA),
- Education Training, & Development Practices SETA (ETDP),

- Food & Beverages Manufacturing Industry (FOODBEV),
- Health & Welfare Sector Education and Training Authority (HWSETA),
- Insurance Sector Education & Training Authority (INSETA),
- Mining Qualifications Authority (MQA),
- Agriculture Sector Education and Training Authority (AgriSETA),
- Public Service Sector Education and Training Authority (PSETA),
- Services Sector Education and Training Authority (SERVICES),
- Transport Education and Training Authority (TETA),

The following **6 SETA's are to be reestablished with the following sic code transfers;**

- the Construction Education & Training Authority (CETA) and the Energy and Water SETA (EWSETA) involving the transfer of electrical contracting subsector from ESETA to CETA
- the Local Government, Education and Training Authority (LGSETA) and the Safety and Security Education and Training Authority (SASSETA); involving the Transfer of Metro Police and Traffic Enforcement sic codes to SASSETA from LGSETA.
- the Wholesale and Retail Sector Education and Training Authority (W&RSETA); and the Manufacturing, Engineering & Related Services Education and Training Authority (MERSETA), involving the Transfer of the Petrol Retail subsector to W&RSETA from MERSETA

**2 SETA's are affected by insignificant change** based on receiving sub sectors from MAPPP;

- the Media, Information and Communication Technologies SETA (MICTS) involving the Advertising, Media will be transferred from MAPPP-SETA to ISETT SETA in order to address the full spectrum of ICT under one SETA

- the Tourism, Arts & Culture, Hospitality and Sports Education and Training Authority (CATHSSETA) involving the transfer of the Creative Industries and Heritage from MAPPP-SETA to THETA to align with IPAP 2 vision to leverage the full value chain of arts and culture as a major thrust behind tourism; and also to improve a focus on Sports skills development

3 SETAs are affected by **significant changes**:

- the CTFL SETA, FIETA and the MAPPP SETA will be removed from the SETA landscape. They will be replaced by the new amalgamation of Printing, Packaging and Publishing sub-sectors of MAPPP; and CTFL SETA, and FIETA to form the new Fibre Processing and Manufacturing SETA;

**The PSETA** is re-established for a year pending an inter ministerial task team process that Minister Baloyi and I have initiated to investigate the viability and operational model of the PSETA. To pave the way for this work to be properly concluded; I establish the PSETA for one year until the issues pertaining to governance and funding are addressed by this team.

**The basis for these changes are to enhance sector focus, ensure viability of all the SETAs, consolidate learning (supply) pipeline planning, and align to government / industrial growth strategies.**

- The NSA and DHET will, during November 2010 to March 2011, undertake a process of implementing the landscape. This will involve;
  - consulting with affected stakeholders on the implementation, transfer of sub-sectors, sic codes and amalgamations as required by the legislation
  - finalising a new constitutions for each SETA based on their new demarcations
  - Appointing the necessary personnel to lead the establishment new SETAs

It is critical to note that the landscape does not address the issues related to the performance of SETAs. This issue - the functioning of the SETA's- is a source of great concern to me and this government. Much needs to be done to improve their efficiency and effectiveness. Re-

establishing the SETAs as I have done today signals that we acknowledge that these institutions must play an important role in the post- school landscape and in addressing the skills challenges facing our country.

The relicensing of most of the SETAs does not mean that it is going to be business as usual. The DHET is going to be undertaking extensive work in the coming period to address the many challenges facing the SETAs. These will include the following:

- refocusing SETA activities through the new National Skills Development Strategy (NSDS) III, which is being finalized by the department and will be announced by the end of November this year as the framework within which all SETAs will have to operate
- initiating a process to strengthen the SETA Sector Skills Plans (SSPs) and aligning these to much tighter Service Level Agreements and reporting mechanisms;
- establish the Quality Council for Trade and Occupations (QCTO) to improve occupational qualifications against which learnerships and apprenticeships programmes are developed, as well as ensuring that the QCTO accredits quality service provision in order to ensure that SETAs do not become both judges and facilitators of training programmes. In short we must build the capacity of the QCTO to be the main accreditor of training providers so that SETAs concentrate on their role as facilitators of education and training in the workplace
- finalise a model Constitution of SETAs as best practice guideline to improve accountability and performance of SETA boards and governance;
- improve oversight and support from the department; etc.

To achieve the above and other related tasks I will soon be appointing a Ministerial Task Team that will focus on improving SETA performance as well as ensuring that the necessary capacity is built by the SETAs to achieve the objectives that the DHET have set for these institutions.

This Ministerial Task Team will also ensure that work that has been done by, amongst others, the Human Sciences Research Council focussing on impact of the work of SETA's; research reports commissioned under the Presidency (like the Singidzi report) and NEDLAC, are all fully taken into account for the overall improvement of SETA performance. These reports highlight the key

challenges facing SETAs and provide extensive recommendations which have up to date not fully considered or implemented.

Part of the work of the Ministerial Task Team on the improvement of SETA performance will also have to address the following additional challenges:

- Diffused focus and multiple objectives
- Uneven governance, management, administration, financial management & inefficiencies, planning and service delivery across the SETAs
- Difficulties in addressing cross-sectoral skills development and training requirements
- Uneven performance across the SETAs
- Negative public perceptions, including clarity on role of seta's
- Developing mechanisms to ensure that all forms of corruption are eliminated from the SETA system
- The effective alignment of all SETAs to the public university and college system, as will be further elaborated in NSDS III

We call upon all stakeholders in the SETA system to support us in all our efforts to ensure that the SETAs are strengthened as one of the critical pillars in the much needed skills revolution in our country.

END

#### **DETAIL ON THE NEW SETA LANDSCAPE**

<b>SETA NUMBER</b>	<b>SETA NAME</b>	<b>CERTIFICATE NO.</b>
1	Financial and Accounting Services SETA (FASSET)	01/FASSET/1/04/11
2	Banking Sector Education & Training Authority (BANKSETA)	02/BANKING/1/04/11

<b>SETA NUMBER</b>	<b>SETA NAME</b>	<b>CERTIFICATE NO.</b>
3	Chemical Industries Education & Training Authority (CHIETA)	03/CHIETA/1/04/11
5	Construction Education & Training Authority (CETA)	05/CETA/1/04/11
7	Education, Training, & Development Practices SETA (ETDP)	07/ETDP/1/04/11
8	Energy and Water Sector Education Training Authority (EWSETA)	08/EWSETA/1/04/11
9	Food & Beverages Manufacturing Industry (FOODBEV)	09/FOODBEV/1/04/11
11	Health & Welfare Sector Education and Training Authority (HWSETA)	11/HWSETA/1/04/11
12	Media, Information and Communication Technologies SETA (MICTS)	12/ MICTS 1/04/11
13	Insurance Sector Education & Training Authority (INSETA)	13/INSETA/1/04/11
14	Local Government, Education and Training Authority (LGSETA)	14/LGSETA/1/04/11
16	Mining Qualifications Authority (MQA)	16/MQA/1/04/11
17	Manufacturing, Engineering & Related Services Education and Training Authority (MERSETA)	17/MERSETA/1/04/11
19	Safety and Security Education and Training Authority (SASSETA)	19/SASSETA/1/07/11
20	Agriculture Sector Education and Training Authority (AgriSETA)	20/AgriSETA/1/07/11
21	Public Service Sector Education and	21/PSETA/1/07/11

<b>SETA NUMBER</b>	<b>SETA NAME</b>	<b>CERTIFICATE NO.</b>
	Training Authority (PSETA)	
23	Services Sector Education and Training Authority (SERVICES)	23/ SERVICES/1/04/11
25	Tourism, Arts & Culture,Hospitality and Sports Education and Training Authority (CATHSSETA)	25/ THASSETA /1/04/11
26	Transport Education and Training Authority (TETA)	26/TETA/1/04/11
27	Wholesale and Retail Sector Education and Training Authority (W&RSETA)	27/W&RSETA/1/04/11
New nr	Fibre Processing and Manufacturing SETA (FPM SETA)	New numbers to be allocated