

Trends in Employment and Training in the Fasset Sector

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ACRONYMS

Abbreviation	Definition
AAT(SA)	Association of Accounting Technicians South Africa
ABASA	Association for the Advancement of Black Accountants
ACCA	Association for Chartered Certified Accountants
ACFESA	Association for Certified Fraud Examiners South Africa
AMG	Assessor and Moderator Grant
APC	Assessment of Professional Competence
ATR	Annual Training Report
BEE	Black Economic Empowerment
CA	Chartered Accountant
CESM	Classification of Educational Subject Matter
CFA	Chartered Financial Analyst
CIMA	Chartered Institute of Management Accountants
CSSA	Chartered Secretaries Southern Africa
CTA	Certificate in the Theory of Accounting
DHET	Department of Higher Education and Training
DoL	Department of Labour
EEP	Employment Equity Plan
ETQA	Education and Training Quality Assurance
Fasset	Finance and Accounting Services Sector Education and Training Authority
HEMIS	Higher Education Management Information System
IACSA	Institute of Accounting and Commerce
ICBA**	Institute of Certified Bookkeepers and Accountants
ICM	Institute of Credit Management
IIASA	Institute of Internal Auditors of South Africa
ILO	International Labour Organisation
IMFO	Institute of Municipal Finance Officers
ISCO	International Standard Classification of Occupations
ITC	Initial Test of Competence
LCG	Learnership Cash Grant
NCS	New Curriculum Statement

Abbreviation	Definition
NLPs	Non-Levy Payers
NQF	National Qualifications Framework
NSC	National Senior Certificate
NSF	National Skills Fund
OFO	Organising Framework for Occupations
PDI	Previously Disadvantaged Individual
RPL	Recognition of Prior Learning
SAIBA	Southern African Institute for Business Accountants
SAICA	South African Institute for Chartered Accountants
SAIGA	Southern African Institute of Government Auditors
SAIPA	South African Institute of Professional Accountants
SAIT	South African Institute for Tax Practitioners
SAPSE	South African Post-Secondary Education System
SARS	South African Revenue Service
SCG	Strategic Cash Grant
SDF	Skills Development Facilitator
SDL	Skills Development Levy
SETAs	Sector Education and Training Authorities
SIC	Standard Industrial Classification
SOC	Standard Occupational Classification
SSP	Sector Skills Plan
TVET	Technical and Vocational Education and Training
WSP	Workplace Skills Plan

EXECUTIVE SUMMARY

In 2001 Fasset started collecting and analysing information on its sector. The main purpose of the collection of labour market information is to inform skills planning and funding decisions of the Sector Education and Training Authority (SETA) as well as to monitor transformation in the sector. Information collected from 2001 to 2015 are presented in this report including organisations' participation in the levy-grant system, employment trends and skills shortages. Most of the information is collected through the Mandatory Grant applications submitted by employers to Fasset.

Supply data were collected on elements of the education and training system that have a direct bearing on the supply of skills to the sector. This includes the National Senior Certificate exams, student output from Technical and Vocational Education and Training (TVET) colleges, student output from universities and universities of technology, skills formation in the workplace and trends in professional body membership.

To compensate for employees not represented in the Mandatory Grant applications and for variations in submission rates, the employment profile data received in every year was weighted and in this way extrapolated to sectoral totals.

Fasset's sector is demarcated according to the Standard Industrial Classification (SIC) into 16 SIC codes. Fasset has grouped these SIC codes into seven subsectors i.e. Investment Entities and Trusts and Company Secretarial Services; Stockbroking and Financial Markets; Development Organisations, Accounting, Bookkeeping, Auditing and Tax Services; Activities Auxiliary to Financial Intermediation; Business and Management Consulting Services; Business and Management Consulting Services and the South African Revenue Service (SARS) and Government Departments.

The grant system consists of two components: Mandatory Grants and Discretionary Grants. Mandatory Grants consist of grants payable upon the submission by organisations of Workplace Skills Plans (WSPs) and Annual Training Reports (ATRs). These grants are mandatory as the SETAs are obliged to pay the grant to organisations that apply and meet the grant requirements. However, SETAs can structure Discretionary Grants such as the Strategic Cash Grant (SCG) and Learnership Cash Grant (LCG), to suit the specific needs of their sectors.

Fasset started in 2000 with almost 7 600 levy paying organisations, that paid R22 million in Skills Development Levy (SDL). The levy payers dropped sharply to 3 200 in 2006 when the levy threshold was lifted. However, the levy payers increased again slowly and by 2014, a total of 5 700 organisations paid the SDL and the levy amount for that year totalled R328 million¹.

In 2000, 13% of the levy paying organisations participated in the Mandatory Grant system. Participation reached its peak in 2006 with 55% organisations claiming the Mandatory Grants. The high percentage was the result of the lifting of the levy threshold to a payroll of R500 000 per year i.e. the number of levy paying organisations dropped while the number of organisations that claimed grants

¹ Levy amounts depicted nominal values and increased steadily over the total period under review.

remained more or less unchanged. From 2009 to 2014 the number of organisations that claimed Mandatory Grants dropped.

Over the total period the organisations that claimed Mandatory Grants paid more than 60% of the total SDL received by Fasset. Over the review period there was always better participation from the medium and larger organisations than from small organisations.

A number of organisations participated in Discretionary Grants. From 2005 to 2012 organisations registered with Fasset could claim back 20% of their levies through the SCG but over the years only a small number of medium and large organisations claimed this grant and a total of 119.5 million was paid out.

The LCG is another Discretionary Grant that Fasset pays for specific learners who are enrolled on learnerships in the sector. The grant is only available to small organisations and only a small number of employers claimed these grants. In 2012, when the grants were limited to Black African learners, the number of learners for whom the LCG was claimed dropped dramatically.

In 2013 the PIVOTAL Grant was introduced. This grant replaced the SCG. The grant in this year was capped at 49.5% of the SDL. A maximum of 30% can be claimed for PIVOTAL programmes implemented with white, Indian and Coloured learners, and non-South Africans.

In 2010 Fasset started the Assessor and Moderator Grant (AMG) for individuals who undertook training to become registered as an assessor and / or moderator. The AMG covers the costs of training and the assessment of individuals against certain unit standards. From 2011 to 2014 a total of R951 740 was paid to 309 participants.

The National Student Financial Aid Scheme (NSFAS) Grant was introduced in 2013 to ensure the retention of learners on learnerships with Fasset employers. The NSFAS grant is meant to relieve African learners and people with disabilities from the debt burden so that they can continue and complete their learnerships. In 2013, 186 learners benefitted from this grant and received R2.1 million for study loans. In 2014 the number of beneficiaries dropped to 79 and less than R1 million was paid out.

Since 2001 total employment increased annually by 4% from 82 811 to 140 963 in 2015. Gauteng remains the province with the largest share of employment since 2001. The Western Cape had the second largest share, followed by KwaZulu-Natal. The subsector Accounting, Bookkeeping, Auditing and Tax services with its focus on core financial services, has the largest number of employees in the sector. Business and Management Consulting Services has the second largest number of employees.

From 2001 to 2015, the employment profile of the sector transformed from being predominantly white to being predominantly Black². In 2001 Black employees constituted 40% of the employees in the sector and by 2015 this figure had increased to 61%. The profile of professionals in the sector changed from white (72%) and male (61%) to black (55%) and female (52%).

Fasset's sector has historically been female-dominated. In 2001 54% of the workers in the sector were female and by 2015 this figure had increased to 57%.

From 2012, the demand for managers, professionals and technicians and associate professionals were higher than for occupation groups such as clerical support workers and elementary occupations. An average decrease of 19% per year was recorded for elementary occupations in the sector.

Managers, professionals, technicians and associated professionals and clerical support workers comprise the majority of employment in the sector. Professionals remain the largest occupation group in the sector since 2012. In 2015, professionals constituted 34% of total employment.

In 2015, the South African Institute of Chartered Accountants (SAICA) was the professional body with the largest membership in the sector. Of these members, 22% were black and 33% were female. SAICA also makes provision for trainee membership of which 55% were black and 55% were female.

Various training options are available to people who are interested in a career in the sector. Grade 12 Mathematics is a prerequisite for tertiary studies in most of the study fields relevant to the sector. Between 2008 and 2013 the number of matriculants who wrote Grade 12 Mathematics (new curriculum) first dropped substantially, but in the last few years the numbers increased again.

Statistics on under-graduate and post-graduate qualifications in the broad study fields "Accounting" and "Other business and commerce" were obtained from the Department of Higher Education and Training's (DHET) Higher Education Management Information System (HEMIS) database.

Over the period under review, an increase was found in the number of three-year and four-year first degrees awarded in accounting and other business and commerce. The growth can mostly be ascribed to an increase in the number of African and especially female African students passing in this study field.

Two types of qualifications were relevant at National Qualifications Framework (NQF) Level 8: post-graduate diplomas and honours degrees³. From 2001 to 2014, both qualifications showed an increase in numbers although not to the same extent as the first degrees.

² Including African, Indian/Asian and coloured people.

³ Including the Certificate in the Theory of Accounting (CTA).

The completion of a South African Institute of Chartered Accountants (SAICA) accredited postgraduate Certificate in the Theory of Accounting (CTA) programme or equivalent on NQF level 8 is needed for access to the first of two qualifying SAICA's examinations. In all the years, less than half of the students who enrolled for the CTA completed the qualification successfully. From 2002 to 2014, the number of enrolments decreased but the total pass rate increased. In 2014, more Africans but fewer coloureds, Indians and whites sat for the exam than in 2002.

From 2001 to 2014, SAICA's Part I and Part II exams showed increases in the number of enrolments and passes but the Part II exam shows much higher and stable pass rates than the Part I exam. The Part I exam showed an increase in African, coloured and Indian enrolments and passes, while white enrolments and passes decreased. Whites had the most success in both exams. In 2013, female passes exceeded male passes for the first time.

Of all Fasset's learnerships, the Chartered Accountant: Auditing learnership had the highest number of successful completions since 2001. Of total learnership enrolments, 59% were successfully completed, while the completion rate for the Chartered Accountant: Auditing learnership was 73%. Indian males and females and white males had the highest success rates. The number of black enrolments increased annually by 1 % from 2002 to 2014 and the number of completions by 9%.

Fasset's lifelong learning training events are skills development initiatives to assist smaller employers in the sector to keep up-to-date with sector developments. From 2007 to 2014, a total of 104 795 learning opportunities were offered to employees in the sector, of which most were for budget and tax updates and for soft skills training. Of the beneficiaries, 23% were African, 9% coloured, 11% Indian and 58% were white, while 59% were female.

Most of the skills shortages (or scarce skills) reported in the sector related to a lack of professional financial skills such as accountants, external auditors and financial investment advisors. Graduate trainees who had completed their CTAs (NQF level 8), especially African and disabled candidates were specifically in short supply.

In conclusion, Fasset progressed in many aspects since its establishment in March 2000. Over the fourteen-year review period the Seta experienced growth in levy income, which is related to growth in employment. At the same time the employment profile of the sector transformed from being predominantly white to being predominantly black⁴.

⁴ African, coloured and Indian.

1. INTRODUCTION

Fasset is the Sector Education and Training Authority (SETA) for the Finance and Accounting Services Sector. The organisation was established in March 2000 in terms of the Skills Development Act (Act 97 of 1998). In 2001 Fasset started collecting and analysing information on its sector and has continued doing so ever since. The reason for the collection of labour market information is to inform skills planning and funding decisions of the SETA. The information also serves to monitor transformation in the sector.

The purpose of this report is to combine and analyse information collected over the years in order to present an overall picture of what has happened in the Fasset sector over the period 2000 to 2015 in terms of employers' participation in the levy-grant system, employment trends and skills shortages. Most of this information is collected through the annual Mandatory Grant applications submitted by employers to Fasset.

In addition, Fasset has also been monitoring the supply side of the labour market. The key elements of the education and training system that have a direct bearing on the supply of skills to the sector are the National Senior Certificate exams, student output from Technical and Vocational Education and Training (TVET) colleges, student output from universities and universities of technology, skills formation in the workplace and trends in professional body membership. This information is also presented in this report.

Where possible, information is given for the entire period from 2001 to 2015. However, some of the indicators used can't be given for the whole period because of changes in the grant system or because of changes in the grant application formats. In these instances only the most recent years are provided.

The Mandatory Grant applications represent only a certain percentage of the employees in the sector and that percentage varies from year to year as grant submission rates vary. In order to compensate for employees not represented in the Mandatory Grant applications and for variations in submission rates, the employment profile data received in every year was weighted and in this way extrapolated to sectoral totals. This was done by using the levy amount paid as a proxy for employment. Weighting was done separately for each of the subsectors, because of wage differentials that occur between subsectors. Annexure A provides more detail about the weighting process and the weights applied to the data.

Fasset's sector is demarcated according to the Standard Industrial Classification (SIC), an economic classification system that is used in the National Accounts and in several of Statistics South Africa's surveys. The sector includes 16 SIC codes at the five-digit level. To simplify the analysis Fasset has grouped the SIC codes into seven subsectors. The SIC codes, the economic activities that they represent and the clustering of SIC codes into subsectors are depicted in Table 1-1.

Table 1-1 Subsector demarcation

SIC Code	SIC Description	Subsector
81904 88103	Investment Entities & Trusts Company Secretary Services	Investment Entities & Trusts & Company Secretary Services
83110 83120 83121 88102	Administration of Financial Markets Security-dealing Activities Stockbroking Asset Portfolio Management	Stockbroking & Financial Markets
83180	Development Corporations & Organisations	Development Organisations
88101 88120 88121 88122 88123	Tax Services Accounting, Bookkeeping & Auditing Activities Tax Consultancy Activities of Accountants & Auditors registered in terms of the Public Accountants & Auditors Act Activities of Cost & Management Accountants Bookkeeping Activities, including Relevant Data Processing & Tabulating Activities	Accounting, Bookkeeping, Auditing & Tax Services
83190	Activities Auxiliary to Financial Intermediation	Activities Auxiliary to Financial Intermediation
88140	Business & Management Consulting Services	Business & Management Consulting Services
91108 9110E	South African Revenue Service (SARS) National Treasury Provincial Treasuries	SARS & Government Departments

Chapter 2 of this report focuses on organisations in the sectors' participation in the levy-grant system. Participation in the system has two sides: on the hand it refers to the payment of the SDL and on the other it refers to the claiming of grants – both Mandatory and Discretionary Grants. Chapter 3 provides a profile of the sector. In Chapter 4 trends in education and training relevant to the sector are discussed. Chapter 5 deals with skills shortages (also known as scarce skills) in the sector. Some of the key conclusions emanating from this trends analysis are presented in the final chapter of this report.

2. PARTICIPATION IN THE LEVY-GRANT SYSTEM

2.1 Questionnaire

In this chapter the participation of organisations in the levy-grant system administered by Fasset from the financial year 2000/2001 to 2014/2015 is analysed. As the name suggests the system consists of two components: the income side (for the SETAs) consisting of the skills development levy (SDL) paid by organisations in the sector and the grant side consisting of moneys paid to organisations that claim back portions of their SDL by applying for the grants offered by the SETA.

Levy-paying organisations include all organisations that fall within the levy threshold and consequently pay the SDL to Fasset. The levy threshold refers to a threshold set by Government from time to time to determine which organisations are obliged to pay the SDL and which organisations are exempt. In the 2000/2001 financial year the SDL was phased in and employers only had to pay 0.5% of their total payrolls. From 2001/2002 onwards the full 1% levy was payable.

The grant system consists of two components: Mandatory Grants and Discretionary Grants. Mandatory Grants consist of grants payable upon the submission by organisations of WSPs and ATRs. These grants are mandatory in the sense that the SETAs are obliged to pay the grant to organisations that apply and meet the grant requirements irrespective of the skills development areas for which the organisations utilise the grant moneys. Contrary to this, the SETAs can structure Discretionary Grants to suit the specific needs of their sectors.

The levy-grant system underwent a few major changes over the years. The most important of these are the following:

- When the levy-grant system was introduced in 2000/2001, the threshold was set at R250 000 per year. That means that all organisations with a total payroll of R250 000 per year or more had to pay the SDL. In 2006 this amount was raised to R500 000 per year. The threshold is set in nominal terms and apart from the once-off change, it has never been adjusted for inflation.
- In the first years of the system the WSP and ATR grants were two separate grants. However, in 2005 they were consolidated and became a single Mandatory Grant.
- From the beginning of the system up to 2013 organisations could claim back 50% of their SDL through the Mandatory Grants. On 3 December 2012 new funding regulations were promulgated with implementation starting on 1 April 2013. The new regulations lowered the amount available for Mandatory Grants to 20%.

All these changes had an effect on the total grant system and on organisations' participation in the system.

Chapter 2 is divided into three sections: The first deals with levy paying organisations and levy payments, the second focuses on the claiming of Mandatory Grants and the third section deals with the claiming of Discretionary Grants.

Participation in the grant system is viewed from different perspectives: the total amounts available for and paid in respect of grants; participation in the specific grants; participation of organisations from different size categories; and participation of organisations in the different subsectors.

When financial information is reported in this chapter (text and tables), the year refers to a financial year. For example, the year 2000 refers to the 2000/2001 financial year, 2001 refers to the financial year 2001/2002 and so on.

2.2 Levy Paying Organisations

Fasset started in 2000 with almost 7 600 levy paying organisations (Figure 2-1). This number increased slightly in the following year and stayed in the region of 8 000 up to 2005. In 2006 when the levy threshold was lifted to a payroll of R500 000 per annum, the number of levy paying organisations dropped by almost 5 000 organisations. That means that the sector includes a very large number of small organisations and one-person practices that, at that time, had salary bills between R250 000 and R500 000. The fact that these organisations still exist in the sector is evident from the numbers from 2006 and onwards. Because the levy threshold was not adjusted for inflation, the small organisations systematically crept back into the levy-payer group. By 2014 the number of levy payers was about 2 000 short of the original number with which Fasset started in 2000.

The levy amounts depicted in Figure 2-1 are nominal values and as could be expected, it increased steadily over the total period under review.

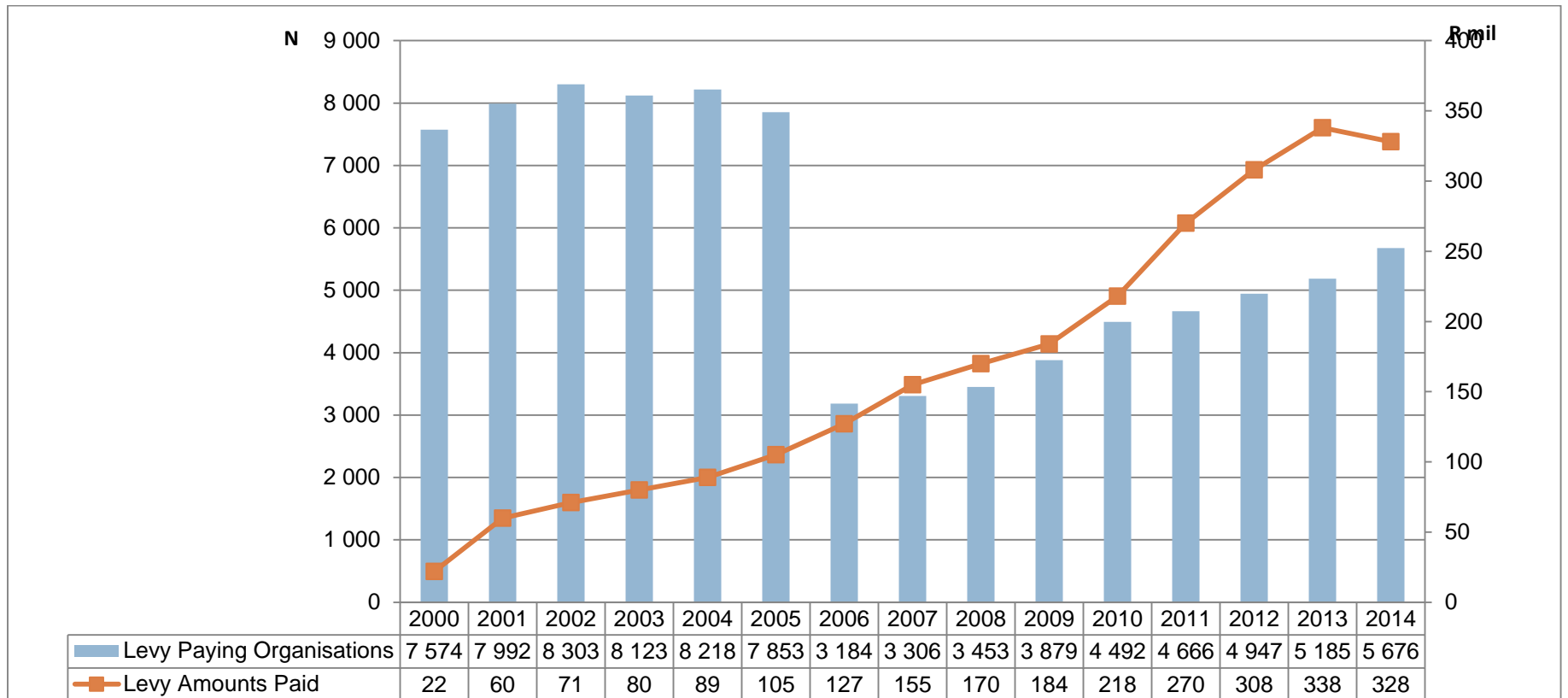


Figure 2.2-1 Number of levy paying organisations and levy amounts paid: 2000 – 2014*

* The years in this figure refer to financial years. The year 2000 refers to the 2000/2001 financial year, 2001 refers to the financial year 2001/2002 and so on.

2.3 Participation in the Mandatory Grant System

The extent to which organisations in Fasset's sector participated in the Mandatory Grant system is illustrated in Table 2-1. Column A indicates the total number of levy paying organisations in each year and column B the total levy amount paid by all these organisations. Column C indicates the number of organisations that participated in the Mandatory Grant system while Column D expresses the number of organisations that claimed Mandatory Grants as a percentage of the levy paying organisations in that year. Column E indicates the total levy amounts paid by the organisations that claimed Mandatory Grants and Column F expresses their levy amount as a percentage of the total levy amounts paid to Fasset in that year. It is this last column that is the most important because it indicates to what extent the organisations that claimed Mandatory Grants (and therefor submitted employment profiles to Fasset) represent the workforce in the sector.

In 2000 only 13% of the levy paying organisations participated in the Mandatory Grant system. This increased to 22% in 2001. From 2001 to 2005 the participation rates increased marginally. In 2006 the participation rate spiked to 55%. However, this was the result of the lifting of the levy threshold and the fact that the number of levy paying organisations dropped to just more than 3 000 while the number of organisations that claimed Mandatory Grants remained more or less the same. In 2006 to 2008 the number of organisations that claimed and the participation rates levelled off. But from 2009 to 2014 the actual number of organisations that claimed as well as the participation rates dropped.

Through all the years since 2001 the organisations that claimed Mandatory Grants paid more than 60% of the total SDL received by Fasset. It therefore stands to reason that they represented more than 60% of the employees in the sector. In some of the years this percentage went up to 84% or 85%. In the last five years the percentage dropped and in 2014 it went down to 67%. Despite this drop these organisations still contributed more than two thirds of the total levy and most probably employ more than two thirds of the workers in the sector.

Table 2.3-1 Levy paying organisations and organisations that claimed Mandatory Grants: 2000-2015

Year*	Levy-paying organisations		Organisations that claimed Mandatory Grants			
	A	B	C	D	E	F
	Number of organisations	R (mil) levies paid	N	% of levy payers	Levies paid R mil	% of levies
2000	7 574	22	985	13	12	53
2001	7 992	60	1 778	22	40	66
2002	8 303	71	2 024	24	48	67
2003	8 123	80	2 253	28	59	74
2004	8 218	89	2 453	30	66	75
2005	7 853	105	2 077	26	79	75
2006	3 184	127	1 754	55	107	84
2007	3 306	155	1 746	53	129	84
2008	3 453	170	1 790	52	144	85
2009	3 879	184	1 415	36	150	81
2010	4 492	218	1 084	24	162	74
2011	4 666	270	990	21	211	78
2012	4 947	308	995	20	215	70
2013	5 185	338	909	18	241	71
2014	5 676	328	900	16	221	67

* Year refers to financial year.

Source: Fasset data system 2015.

Table 2-2 provides detailed information on levy paying organisations and organisations that participated in the Mandatory Grants. In this table organisations are grouped according to the levy amounts paid in a particular year. Small organisations are those that paid less than R10 000. Medium sized organisations are those that paid between R10 000 and R99 999. Large organisations are those that paid R100 000 or more. The table also includes information on the number of organisations in each size category that submitted Mandatory Grant applications in that year and the levy amounts paid by them. The table illustrates the fact that there was throughout all the years much better participation from the medium and large organisations than from the small ones.

Table 2.3-2 Levy paying organisations and organisations that claimed Mandatory Grants according to levy size: 2000 - 2015

Year	Size of Levies*																		
	Small				Medium				Large				Total						
	Levy payers		Grant participants		Levy payers		Grant participants		Levy payers		Grant participants		Levy payers		Grant participants				
	N	R (Mil)	N	R (Mil)	N	R (Mil)	N	R (Mil)	N	R (Mil)	N	R (Mil)	N	R (Mil)	N	R (Mil)	% of Levy payers	% of levies	
2000	7 341	6.0	883	1.2	203	5.3	78	2.4	30	10.2	24	7.9	7 574	21.5	985	11.5	13	53	
2001	7 377	10.7	1 484	3.3	541	14.3	241	6.9	74	35.5	53	29.8	7 992	60.5	1 778	40.0	22	66	
2002	7 579	11.8	1 661	4.3	632	17.1	302	8.2	92	42.6	61	35.7	8 303	71.4	2 024	48.2	24	67	
2003	7 360	13.2	1 850	5.2	665	17.2	323	8.3	98	49.1	80	45.3	8 123	79.6	2 253	58.8	28	74	
2004	7 374	14.3	1 976	5.5	743	19.4	399	10.6	101	55.2	78	50.1	8 218	88.9	2 453	66.3	30	75	
2005	6 888	11.4	1 494	4.9	834	21.6	482	12.5	131	72.4	101	61.1	7 853	105.5	2 077	78.6	26	75	
2006	2 038	8.8	972	5.1	990	26.5	664	18.0	156	92.0	118	83.7	3 184	127.4	1 754	106.8	55	84	
2007	1 969	8.7	848	4.8	1 149	31.9	755	21.9	188	114.0	143	102.7	3 306	154.5	1 746	129.5	53	84	
2008	1 973	7.9	779	4.5	1 274	35.8	851	24.9	206	126.3	160	114.4	3 453	170.0	1 790	143.7	52	85	
2009	2 308	8.8	496	2.8	1 348	36.5	739	22.0	223	138.6	180	125.0	3 879	183.9	1 415	149.8	36	81	
2010	2 744	10.9	319	1.9	1 510	40.9	582	18.6	238	166.6	183	141.2	4 492	218.3	1 084	161.7	24	74	
2011	2 777	10.9	240	1.5	1 627	44.3	562	18.2	262	214.5	188	191.6	4 666	269.8	990	211.3	21	78	
2012	2 792	12.2	223	1.4	1 862	51.3	578	18.7	293	244.6	194	195.0	4 947	308.0	995	215.1	20	70	
2013	2 831	12.6	184	1.2	2 040	57.5	539	18.8	314	267.8	186	220.6	5 185	337.8	909	240.5	18	71	
2014	3 065	13.8	153	1.0	2 279	64.2	546	19.1	332	249.7	201	200.9	5 676	327.7	900	220.9	16	67	

*Small: Less than R10 000; Medium: R10 000 to R99 999; Large: R100 000 and more.

Source: Fasset data system 2015.

Table 2-3 indicates the participation of organisations in the Mandatory Grants according to the employment size of the organisation. From 2001 to 2008 participation increased considerably, largely due to an increase in the participation of small organisations. In 2008 participation reached a peak with 1 790 organisations claiming Mandatory Grants. The number of small organisations (with fewer than 50 employees) that submitted Mandatory Grant applications remained quite high from 2001 to 2009, followed by a substantial drop in 2010. Since then the participation gradually decreased to 733 organisations in 2014. In spite of the decrease, the number of medium and large organisations showed an average annual increase of 4% and 3% respectively.

From 2000 to 2014 the total levy contributions (nominal value) from the organisations that claimed Mandatory Grants increased from 11.5 million to 220.9 million at an average annual rate of 23% (Table 2-3).

Table 2.3-3 Organisations that claimed Mandatory Grants according to employment size: 2000 - 2015

Year	Organisation size						Total	
	Small		Medium		Large			
	N	R (Mil)	N	R (Mil)	N	R (Mil)	N	R (Mil)
2000	825	1.7	61	1.7	44	8.1	930	11.5
2001	1 661	8.9	81	8.1	36	23.0	1 778	40.0
2002	1 919	13.0	69	7.6	36	27.6	2 024	48.2
2003	2 144	15.3	73	9.9	36	33.6	2 253	58.8
2004	2 346	17.8	65	10.8	42	37.7	2 453	66.3
2005	1 942	21.0	89	11.9	46	45.7	2 077	78.6
2006	1 557	25.4	133	17.2	64	64.2	1 754	106.8
2007	1 547	31.6	140	22.1	59	75.8	1 746	129.5
2008	1 581	33.6	141	28.6	68	81.6	1 790	143.7
2009	1 187	28.4	154	29.5	74	92.0	1 415	149.8
2010	887	28.3	125	24.3	72	109.1	1 084	161.7
2011	813	36.7	117	31.0	60	143.6	990	211.3
2012	831	34.5	101	25.4	63	155.3	995	215.1
2013	751	37.9	99	24.6	59	178.0	909	240.5
2014	733	36.9	100	24.7	67	159.3	900	220.9
AAG (%)	-1	25	4	21	3	24	0	23

*Small: Less than 50 employees; Medium: 50 to 149 employees; Large: 150 & more employees.

Source: Fasset data system 2015.

2.4 Participation in the Discretionary Grants

2.4.1 Strategic Cash Grant (SCG)

From 2005 to 2012 organisations registered with Fasset could claim back 20% of their levies through the Strategic Cash Grant (SCG).

Specific areas were determined to be of strategic importance to Fasset's sector and the SCG was allocated to initiatives that cover these strategic areas. The criteria for the SCG changed annually, depending on the priorities of the sector at that time.

Over the years only a small number of medium and large organisations claimed this grant. The last year of the SCG was 2012 (1 April 2012-31 March 2013).

Table 2.4.1-1 SCG: Participating organisations and payouts, 2005 – 2012

Year	Organisations	Amount paid
	N	Rand (Mil)
2005	44	22.3
2006	30	9.5
2007	45	8.4
2008	37	14.9
2009	47	13.0
2010	37	16.3
2011	31	18.1
2012	41	17.1
2013	34	17.6
Total		119.5

Source: Fasset data system 2015.

2.4.2 Learnership Cash Grant (LCG)

The Learnership Cash Grant (LCG) is a grant that Fasset pays for specific learners who are enrolled on learnerships in the sector. The grant is only available to small organisations (fewer than 150 employees) in the sector and since 2012 it was only payable in respect of Black African learners. Over the years only a small number of employers claimed these grants. Since 2012, when the grants were limited to Black African learners, the number of learners for whom the LCG was claimed dropped dramatically.

Table 2.4.2-1 LCG: Participating organisations, learners and payouts, 2005 - 2012

Year	Organisations	Learners	Amount paid
	N	N	Rand (Mil)
2008	145	409	11.0
2009	214	643	17.1
2010	217	576	14.6
2011	165	500	6.5
2012	112	269	3.2
2013	101	209	4.1
2014	74	174	3.5
Total			60.0

Source: Fasset data system 2015.

2.4.3 PIVOTAL Grant

In 2013 (1 April 2013-31 March 2014) the PIVOTAL Grant (a new Discretionary Grant) was introduced. This grant replaced the SCG. The grant is capped at 49.5% of the SDL. A maximum of 30% can be claimed for PIVOTAL programmes implemented with white, Indian and Coloured learners, and non-South Africans.

Companies can claim for the following PIVOTAL programmes:

- Specific learners who have registered on or completed learnerships
- Academic and professional study to specific employed and unemployed learners who have successfully completed a course of study at recognised institutions or professional bodies.
- Quality-Assured and Structured Workplace Experience where specific learners entered or completed full-time, on-the-job training (excluding learnerships).

Table 2.4.3-1 PIVOTAL Grant: Participants and payouts 2013-2014

Year	Organisations	Learners	Amount paid
	N	N	Rand (Mil)
2013	99	1162	48.7
2014	49	1618	34.9
Total			83.6

Source: Fasset data system 2015.

2.4.4 Assessor and Moderator Grant (AMG)

In 2010 Fasset decided to offer a grant to individuals who undertook training to become registered as an assessor and / or moderator. The AMG covers the costs of training and the assessment of individuals against certain unit standards. After completion participants will be allowed to register as an assessor or moderator for unit standards and qualifications within the Fasset Education and Training Quality Assurance (ETQA) scope. From 2011 to 2014 a total of R951 740 was paid out as AMG's to 309 participants (Table 2-8).

Table 2.4.4-1 AMG: Participants and payouts 2011 - 2014

Year	Assessor		Moderator		Total	Total grant amount
	Female	Male	Female	Male		
	N	N	N	N		
2011	8	3	5	1	17	From 145
2012	37	30	9	5	81	R298 509
2013	42	30	2	3	77	R291 674
2014	62	72			134	R298 992
Total	149	135	16	9	309	R951 740

Source: Fasset data system 2015.

2.4.5 National Student Financial Aid Scheme (NSFAS) Grant

This grant was introduced in 2013 to ensure the retention of learners on learnerships with Fasset employers. Experience had taught that many of the learners who enter Fasset learnerships owe large amounts to the NSFAS and discontinue their learnerships to take up higher paying jobs outside the Fasset sector so that they can repay their loans. The NSFAS grant is meant to relieve the learners from that debt burden so that they can continue with their learnerships and reach full professional status. The grant is available to African learners and people with disabilities.

In 2013 a total of 186 learners benefited from this grant and a total amount of R2.1 million was paid towards the learners' study loans. In 2014 the number of grant beneficiaries dropped to 79 and less than R1 million was paid out. Reasons for this decline may include fewer new learners who claimed grants for the first time; in previous years applicants could claim for previous years of their outstanding NSFAS loan corresponding the number of years that had remained on their learnership with a Fasset firm. For example, a learner in their 23rd month of a learnership could claim two tranches of R60 000 towards the repayment of their NSFAS loan.

Table 2.4.5-1 NSFAS grant: Participants and payouts by gender 2013- 2014

Learnership	2013						2014					
	Female	Male	Total	Amount Fe- male	Amount Male	Amount Total	Female	Male	Total	Amount Fe- male	Amount Male	Amount Total
Chartered Accountant: Auditing	61	52	113	R690 418	R582 586	R1 273 004	16	20	36	R176 809	R243 145	R419 954
General Internal Auditor	3		3	R35 000		R35 000	2		2	R20 000		R20 000
Internal Audit Technician	1		1	R8 748		R8 748			0			
Post Graduate Diploma: Professional Accountant in Practice	38	25	63	R440 884	R287 544	R728 427	25	15	40	R329 995	R167 963	R497 957
Post Graduate Profes- sional Qualification: Pro- fessional Accountant in Business	6		6	R80 000		R80 000	1		1	R16 687		R16 687
Total	109	77	186	R1 255 050	R 870 129	R2 125 179	44	35	79	R543 491	R 411 107	R954 598

Source: Fasset data system 2015.

2.5 Conclusions

The grant system consists of two components: Mandatory Grants and Discretionary Grants. Mandatory Grants include grants payable upon the submission by organisations of WSPs and ATRs. These grants are mandatory as the SETAs are obliged to pay the grant to organisations that apply and meet the grant requirements. However, SETAs can structure Discretionary Grants such as the Strategic Cash Grant (SCG) and Learnership Cash Grant (LCG), to suit the specific needs of their sectors.

Fasset started in 2000 with almost 7 600 levy paying organisations, that paid R22 million skills development levies (SDL). By 2014, a total of 5 700 organisations participated and the SDL for that year totalled R328 million⁵.

In 2000 13% of the levy paying organisations participated in the Mandatory Grant system. Participation reached a peak in 2006 with 55% of organisations in the sector claiming Mandatory Grants. However, this figure was strongly influenced by the lifting of the levy threshold to a payroll of R500 000 per year. As a result of this change the number of levy paying organisations dropped while the number of organisations that claimed the Mandatory Grant remained more or less unchanged. From 2009 to 2014 the actual number of organisations that claimed Mandatory Grants as well as the participation rates dropped.

Over the total period under review the organisations that claimed Mandatory Grants paid more than 60% of the total SDL received by Fasset. As the SDL is directly related to the salary bill it is fair to assume that these organisations employ more than 60% of the workers in the sector and that the employee information that the employee information that was submitted to Fasset as part of the WSPs represented more than 60% of the workers.

Over the review period there was always better participation from the medium and large organisations than from small organisations.

Through all the years only a small number of organisations claimed Discretionary Grants. From 2005 to 2012 organisations registered with Fasset could claim back 20% of their levies through the SCG but over the years only a small number of medium and large organisations claimed this grant. A total of 119.5 million was paid out to participants.

The LCG is only available to small organisations and only a small number of employers claimed these grants. In 2012, when the grants were limited to Black African learners, the number of learners for whom the LCG was claimed dropped dramatically.

⁵ Levy amounts depicted nominal values and increased steadily over the total period under review.

In 2013 the PIVOTAL Grant was introduced. This grant replaced the SCG. The grant is currently capped at 49.5% of the SDL. A maximum of 30% can be claimed for PIVOTAL programmes implemented with white, Indian and Coloured learners, and non-South Africans.

The AMG was introduced in 2010 and from 2011 to 2014 a total of R951 740 grant money was paid to 309 participants.

The NSFAS Grant was introduced in 2013 to ensure the retention of learners on learnerships with Fasset employers. The uptake of this grant was also relatively low. In 2013, 186 learners benefited from this grant and a total grant amount of R2.1 million was paid out to study loans, mainly for the Chartered Accountant Auditing learnership. In 2014 the number of grant beneficiaries dropped to 79 and less than R1 million was paid out.

3. PROFILE OF THE SECTOR

3.1 Introduction

This chapter describes the profile of the workers employed in the Fasset and changes in the profile based on the WSP information submitted from 2001 to 2015. The figures presented in this chapter portray the situation as at the time at which the WSP information was prepared for and submitted into the Fasset data collection system.

The chapter starts with estimates of total employment in the sector. This is followed by the provincial- and the subsector distribution of employees and the race and gender breakdown. Finally employment will be discussed in terms of OFO occupational groups with further analysis of managers, professionals, technicians and associate professionals and clerical support workers.

From 2001 to 2008 Fasset classified employees according to the Standard Occupational Classification (SOC) main occupational groups (eight groups). In 2006 the Department of Labour introduced the Organising Framework for Occupations (OFO) and required SETAs to change to this system. At that time the OFO had nine occupational groups that differed from those of the SOC. Fasset introduced the OFO in 2009.

However, in 2010 the DHET (who had taken over responsibility for the SETAs) changed the structure of the OFO in order to align it to the International Standard Classification of Occupations (ISCO) used by the International Labour Organisation (ILO). The changes in the occupational classification had a major impact on Fasset's ability to track changes in the occupational groups. These changes especially impacted on the reporting of trainee accountants and auditors in the data – one of the relatively large occupational groupings in the sector. The different classification systems allocated them to different major groups.

In this chapter only the newest format of the OFO is used in the tables that give occupational breakdowns. The information in these tables is also limited to the years since the introduction of the new format.

The term "Year" in chapter 3 (text and tables) refers to the year of employment reporting in the Mandatory Grant application form i.e. the year 2011 refers to employment as reported in table A7 (Current employment profile at 1 April 2011) in the WSP submitted for the year 2011/2012.

3.2 Total employment

Estimates of total employment in Fasset from 2001 to 2015 are shown in Figure 3-1. Employment in the first year of review was estimated at 82 811. The number increased to 140 963 in 2015 at an average annual growth rate (AAG) of 4%. In 2012 employment dropped to 119 300 before increasing to 135 191 in 2013. Currently (2015), the sector's employment is estimated at 140 963.

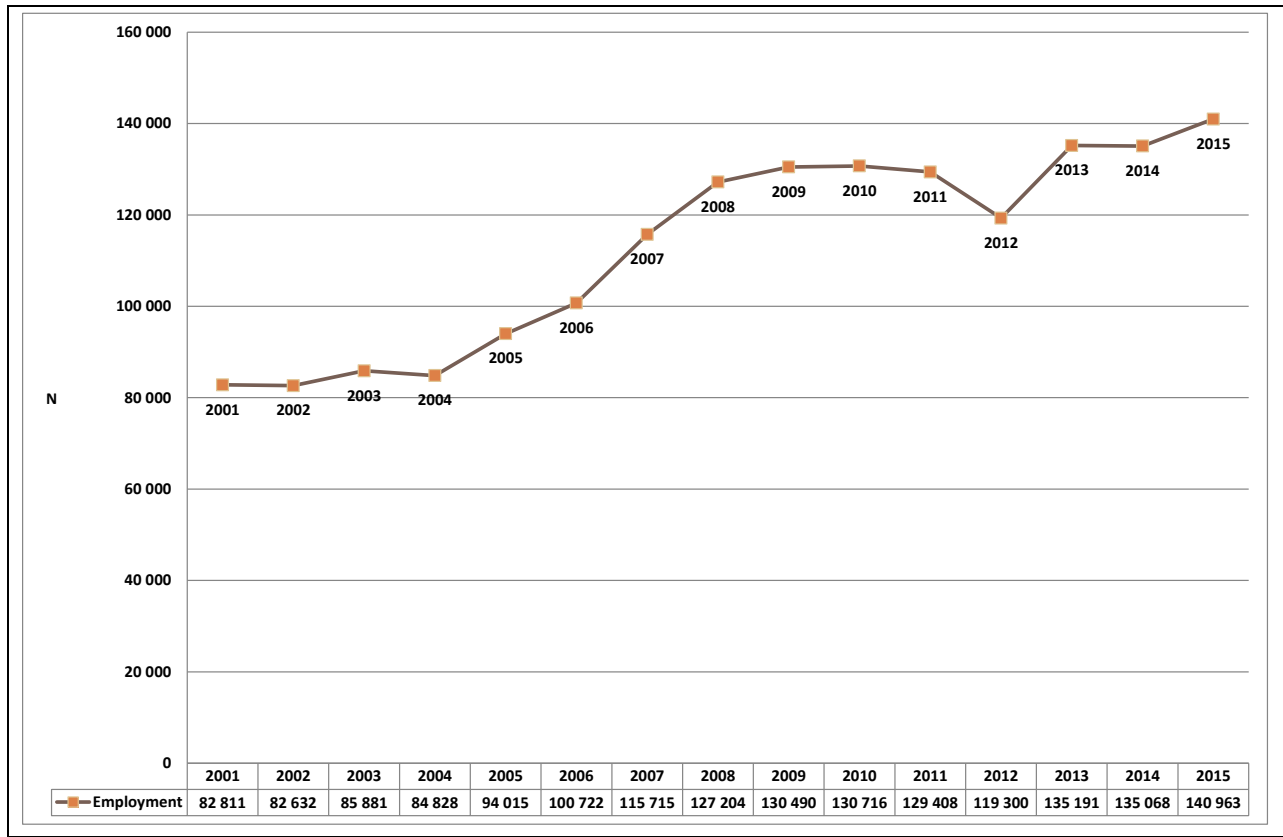


Figure 3.2-1 Total employment: 2001 – 2015*

*Year in this chapter refers to the year of employment reporting in the Mandatory Grant application form i.e. the year 2011 refers to employment as reported in Table A7 (Current employment profile at 1 April 2011) in the WSPs submitted for the year 2011/2012.

Source: Fasset data system 2015.

3.3 Provincial distribution

Table 3-1 shows the provincial distribution of employees in the Finance and Accounting Services Sector from 2001 to 2015. Gauteng was the province with the largest proportion of employees in all the years of the review period, consistently comprising more than 50% of employment in the sector. The Western Cape had the second largest share of employment: from 16% to 22% per year. Kwa-Zulu-Natal was number three comprising from 8% to 14% of total employment. The North West, Mpumalanga, Free State, Limpopo and Eastern Cape housed between 1% and 6% of the employees in the sector. The Northern Cape had the smallest share of employment over the review period.

Table 3.3-1 Employment by province: 2001 - 2015

	Eastern Cape	Free State	Gauteng	KwaZulu-Natal	Mpumalanga	Northern Cape	Limpopo	North West	Western Cape	Unknown	Total
Year	%	%	%	%	%	%	%	%	%	%	%
2001	6	2	56	14	2	1	1	2	16	0	100
2002	4	3	56	9	2	1	1	3	22	0	100
2003	5	3	54	11	3	1	1	2	21	0	100
2004	5	3	52	11	3	1	2	2	22	0	100
2005	5	3	52	11	2	1	1	3	22	0	100
2006	5	3	55	10	2	1	2	3	21	0	100
2007	4	3	53	10	3	1	2	3	22	0	100
2008	5	4	51	11	3	1	1	3	21	0	100
2009	5	3	51	11	2	1	2	3	21	0	100
2010	6	3	51	11	2	1	2	3	21	0	100
2011	5	3	52	11	2	1	2	4	20	0	100
2012	5	3	54	10	2	1	2	3	21	0	100
2013	5	3	53	8	2	2	4	1	21	0	100
2014	4	2	53	7	1	2	3	1	19	10*	100
2015	4	2	57	8	2	2	2	1	21	0	100

*The large percentage of records without provincial allocation can be ascribed to poor data quality of the 2014 submissions. In this year Fasset converted to a new data collection system whereby employers had to submit individual records instead of summary data.

Source: Fasset data system 2015.

3.4 Subsector, race and gender

Fasset's sector is grouped into seven subsectors: Investment Entities and Trusts and Company Secretarial Services; Stockbroking and Financial Markets; Development Organisations; Accounting, Bookkeeping, Auditing and Tax Services; Activities Auxiliary to Financial Intermediation; Business and Management Consulting Services and SARS and Government Departments. Estimated employment per subsector from 2001 to 2015 is depicted in Table 3-2, together with each subsectors' share (%) of total employment in that year. Although employment figures at subsector level fluctuated over the time period, the consistent growth of all the subsectors is evident.

The subsector Accounting, Bookkeeping, Auditing and Tax services is by far the largest subsector. In the period 2001 to 2006 it employed more than half of the sector's workforce. However, its share in sectoral employment declined. This is the result of the more rapid growth of the other subsectors.

Business and Management Consulting Services is the second largest subsector. In 2015, Stockbroking and Financial Markets (17 362) and SARS and Government Departments (17 391) were almost even in terms of number of employees. Stockbroking and Financial Markets showed an average annual growth of 5% over the review period. SARS, the largest organisation in the Fasset sector, did not submit WSP information before 2008. Therefore, the subsector SARS and Government Departments' growth was only calculated from 2008 onwards. In this period the subsector grew on average by only 1% per year. The subsectors Investment Entities and Trusts and Company Secretarial Services and Business and Management Consulting Services grew on average by 7% per year.

The population group and gender distribution of employees can be seen in Table 3-3. In 2015 the Fasset sector employed 53 889 Africans, 16 425 coloureds, 13 577 Indians and 54 463 whites. In total, Black employees constituted 61% of the sector's employees. From 2001 to 2015 African employees' share of employment increased from 20% to 39 %, coloureds from 9% to 12%, Indians' share remained stable at 10% and whites' share decreased from 60% to 39%. From 2013 onwards Fasset also collected information on the employment of foreigners. In 2015 about 2% of the employees in the sector were foreign nationals.

The majority of workers in the sector are women. In 2015 the sector employed 80 155 females - 57% of the sector's employees were female. The predominance of women in the sector is not new. Females were in the majority in 2001 and their share in employment increased from 54% in 2001 to 57% in 2015.

Table 3-3 shows the distribution of the employment by race and gender in more detail. From 2001 to 2015 African females showed the largest increase in numbers: from 8 550 in 2001 to 31 327 in 2015. In contrast, white females increased only marginally from 26 548 in 2001 to 29 253 in 2015.

Table 3.4-1 Employment by subsector: 2001 - 2015

Year	Investment Entities & Trusts & Company Secretarial Services		Stockbroking & Financial Markets		Development Organisations		Accounting, Bookkeeping, Auditing & Tax Services		Activities Auxiliary to Financial Intermediation		Business & Management Consulting Services		SARS* & Government Departments		Total	
	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%
2001	5 116	6	9 281	11	1 352	2	46 719	56	11 019	13	8 833	11	491	1	82 811	100
2002	7 029	9	9 379	11	1 294	2	44 960	54	11 306	14	7 873	10	790	1	82 632	100
2003	6 976	8	8 708	10	1 383	2	49 549	58	10 374	12	8 891	10			85 881	100
2004	7 141	8	7 674	9	1 831	2	50 183	59	7 592	9	9 837	12	570	1	84 828	100
2005	7 507	8	8 085	9	1 629	2	53 133	57	10 682	11	11 208	12	1 770	2	94 015	100
2006	5 804	6	10 185	10	1 776	2	54 247	54	9 436	9	17 636	18	1 637	2	100 722	100
2007	8 142	7	17 169	15	2 060	2	54 981	48	12 033	10	19 274	17	2 055	2	115 715	100
2008	8 439	7	14 418	11	2 144	2	53 822	42	11 181	9	21 222	17	15 978	13	127 204	100
2009	8 980	7	14 817	11	2 174	2	55 707	43	11 873	9	20 468	16	16 471	13	130 490	100
2010	9 026	7	14 890	11	2 104	2	52 954	41	12 491	10	22 129	17	17 121	13	130 716	100
2011	9 054	7	14 285	11	1 950	2	58 387	45	11 280	9	18 505	14	15 947	12	129 408	100
2012	10 479	9	12 292	10	1 886	2	48 491	41	10 694	9	19 995	17	15 464	13	119 300	100
2013	7 828	6	12 467	9	2 333	2	49 351	37	19 648	15	26 258	19	17 306	13	135 191	100
2014	11 189	8	12 080	9	1 716	1	62 460	46	11 022	8	22 354	17	14 247	11	135 068	100
2015	12 924	9	17 362	12	2 254	2	55 335	39	12 201	9	23 497	17	17 391	12	140 963	100
AAG (%)	7		5		4		1		1		7				4	

*SARS, the largest organisation in the sector, only submit employment figures since 2008.

Source: Fasset data system 2015.

Table 3.4-2 Employment by race and gender 2001 - 2015

Year	African				Coloured				Indian				White				Foreign*				Total	
	Female		Male		Female		Male		Female		Male		Female		Male		Female		Male		N	%
	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%				
2001	8 550	10	8 380	10	4 788	6	2 473	3	4 924	6	3 743	5	26 548	32	23 450	28					82 857	100
2002	8 651	10	7 585	9	5 570	7	2 904	4	3 896	5	3 546	4	27 113	33	23 365	28					82 632	100
2003	8 772	10	7 742	9	5 668	7	2 689	3	4 155	5	3 763	4	27 845	32	25 246	29					85 881	100
2004	8 786	10	7 587	9	5 842	7	2 525	3	4 249	5	3 788	4	27 305	32	24 745	29					84 828	100
2005	11 894	13	9 712	10	6 887	7	3 275	3	5 038	5	4 192	4	28 567	30	24 450	26					94 015	100
2006	13 672	14	12 249	12	7 606	8	3 670	4	5 699	6	4 747	5	27 470	27	25 608	25					100 722	100
2007	16 525	14	18 666	16	8 413	7	5 376	5	5 632	5	5 453	5	28 025	24	30 362	26					118 453	100
2008	21 765	17	19 851	16	10 070	8	4 848	4	6 347	5	5 292	4	32 219	25	26 813	21					127 204	100
2009	22 499	17	21 376	16	10 484	8	5 045	4	6 357	5	5 443	4	32 207	25	27 079	21					130 490	100
2010	24 594	19	20 297	16	11 566	9	5 089	4	6 386	5	5 409	4	30 768	24	26 607	20					130 716	100
2011	24 468	19	20 488	16	10 111	8	4 966	4	6 758	5	5 863	5	30 456	24	26 298	20					129 408	100
2012	22 936	19	18 472	15	10 730	9	4 817	4	6 282	5	5 174	4	27 241	23	23 647	20					119 300	100
2013	27 209	20	19 125	14	11 246	8	4 999	4	6 903	5	5 652	4	30 046	22	27 115	20	661	0	1 487	1	134 444	100
2014	21 594	16	17 667	13	9 075	7	4 422	3	6 128	5	5 247	4	29 713	22	26 174	19	775	1	1 495	1	122 289	100
2015	31 327	22	22 561	16	11 053	8	5 372	4	7 512	5	6 065	4	29 253	21	25 210	18	1 010	1	1 599	1	140 963	100
AAG (%)		10		7		6		6		3		4		1		1						

*Foreign nationals are classified separately from 2013.

Source: Fasset data system 2015.

3.5 Occupation groups

As indicated earlier in this report, the last changes to the OFO that impacted on major group classification were implemented by Fasset in 2012. For this reason the analysis of occupational data is limited to the period 2012 to 2015.

From 2012 to 2015 total sector employment in the sector grew on average by 6% per year. Managers increased by 6% per year, professionals by 9% and technicians and associate professionals' by 8% (Table 3-4). Clerical support workers on the other hand increased by only 4% per year over the same period.

In 2015, 93% of employees in the sector occupied positions as managers, professionals, technicians and associated professionals and clerical support workers (Table 3-4). Of these employees, 34% were employed as professionals, 18% as managers, 14% as technicians and associate professionals and 27% as clerical support workers.

Finally, the four major groups (OFO) that form the majority of sector employees i.e. Managers, professionals, technicians and associate professionals and clerical support workers are further analysed in terms of population group and gender.

3.5.1 Managers

From 2012 to 2015, the number of African females and males employed in managerial positions increased by 18% per year while coloured females increased by 11% per year.

In 2015 Africans filled 21% of managerial positions, coloureds 7%, Indians 12%, whites 57% and foreigners 3%. Of all the managers in the sector 41% were females.

Table 3.5.1-1 Employment by major OFO group

Year	Managers		Professionals		Technicians & Associate Professionals		Clerical Support Workers		Service & Sales Workers		Forestry, Fishery, Craft & Related Trades Workers		Plant & Machine Operators & Assemblers		Elementary Occupations		Unknown		Total	
	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%
2012	20 574	17	37 107	31	15 351	13	33 926	28	4 198	4	103	0	1 136	1	6 905	6		0	119 300	100
2013	25 754	19	47 012	35	15 722	12	33 181	25	8 204	6	323	0	759	1	3 622	3	231	0	134 810	100
2014	19 814	15	47 899	35	21 765	16	36 103	27	4 541	3	339	0	932	1	3 674	3		0	135 067	100
2015	24 802	18	48 435	34	19 596	14	37 898	27	5 341	4	443	0	717	1	3 731	3		0	140 963	100
AAG (%)	6		9		8		4		8		63		-14		-19				6	

Source: Fasset data system 2015.

Table 3.5.1-2 Managers by population group and gender 2012 - 2015-

Year	African				Coloured				Indian				White				Foreign				Other		Total
	Female		Male		Female		Male		Female		Male		Female		Male		Female		Male				
	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N
2012	1 419	7	1 760	9	722	4	636	3	1 061	5	1 392	7	5 363	26	8 220	40		0		0		0	20 574
2013	2 156	8	2 731	11	889	3	760	3	1 159	5	1 663	6	6 002	23	9 652	37	150	1	441	2	150	1	25 753
2014	1 351	7	1 713	9	741	4	538	3	740	4	1 132	6	4 437	22	7 495	38	186	1	381	2	1 099	6	19 814
2015	2 354	9	2 911	12	985	4	791	3	1 172	5	1 630	7	5 539	22	8 580	35	279	1	562	2		0	24 802
AAG (%)	18		18		11		8		3		5			1	1		36*		13*				6

* Calculated from 2013.

Source: Fasset data system 2015.

3.5.2 Professionals

The number of professionals increased from 37 107 in 2013 to 48 435 in 2015 at an average annual growth rate of 9% (Table 3-6). African female (20%), African male (14%), coloured female (12%) and coloured male (10%) professionals showed the highest annual growth from 2012 to 2015.

In 2015, Africans' share of professional positions in the sector was 22%, coloureds 9%, Indians 12%, whites 45% and foreigners 3%. More than half (52%) of all professionals were females.

3.5.3 Technicians and Associate Professionals

The number of technicians and associated professionals increased from 15 351 in 2013 to 19 596 in 2015 at an average annual rate of 8% (Table 3-7). Indian (19%), African (10%) and coloured (10%) female technicians and associated professionals showed the highest growth from 2012 to 2015. In 2015 38% of technicians and associated professional positions in the sector were filled by Africans, 13% by coloureds, 10% by Indians and 38% by white people. More than half of these people were female (53%).

3.5.4 Clerical Support Workers

The occupation group clerical support workers showed less growth than the other three groups: from 2012 to 2015 the total number of workers increased from 33 926 to 37 898 596 at an average annual rate of only 1% (Table 3-8). Foreign female (34%) and male (21%) clerical support workers showed the highest annual increase. However, growth took occurred from a low base.

In 2015, clerical support worker positions are filled by 48% Africans, 17% coloureds, 8% Indians and 26% whites. Females filled 76% of all positions in this occupation group.

Table 3.5.4-1 Professionals by population group and gender 2012 - 2015

Year	African				Coloured				Indian				White				Foreign				Other		Total	
	Female		Male		Female		Male		Female		Male		Female		Male		Female		Male					
	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	
2012	5 010	14	4 650	13	1 738	5	1 348	4	2 477	7	2 434	7	9 153	25	10 298	28		0		0		0		37 107
2013	7 201	15	6 060	13	2 282	5	1 701	4	2 885	6	2 735	6	11 070	24	11 964	25	368	1	551	1	195	0		47 012
2014	6 961	15	5 908	12	1 868	4	1 374	3	2 543	5	2 552	5	11 421	24	12 296	26	391	1	548	1	2 036	4		47 899
2015	8 662	18	6 963	14	2 457	5	1 810	4	2 842	6	2 671	6	10 921	23	10 849	22	519	1	742	2		0		48 435
AAG (%)	20		14		12		10		5		3		6		2		19*		16*					9

* Calculated from 2013.

Source: Fasset data system 2015.

Table 3.5.4-2 Technicians and Associate Professionals by population group and gender 2012 – 2015

Year	African				Coloured				Indian				White				Foreign				Other		Total	
	Female		Male		Female		Male		Female		Male		Female		Male		Female		Male					
	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	
2012	2 787	18	3 037	20	1 135	7	820	5	667	4	701	5	3 211	21	2 992	19		0		0		0		15 351
2013	2 560	16	2 896	18	1 313	8	929	6	603	4	528	3	3 173	20	3 296	21	62	0	362	2	0	0		15 722
2014	3 139	14	3 245	15	1 646	8	1 203	6	1 186	5	971	4	4 538	21	4 088	19	68	0	373	2	1 309	6		21 765
2015	3 752	19	3 731	19	1 500	8	989	5	1 116	6	865	4	3 980	20	3 522	18	51	0	90	0		0		19 596
AAG (%)	10		7		10		6		19		7		7		6									8

Source: Fasset data system 2015.

Table 3.5.4-3 Clerical Support Workers by population group and gender 2012 – 2015

Year	African				Coloured				Indian				White				Foreign				Other		Total
	Female		Male		Female		Male		Female		Male		Female		Male		Female		Male				
	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N
2012	10 730	32	4 112	12	6 027	18	1 162	3	1 970	6	585	2	8 085	24	1 255	4		0		0		0	33 926
2013	10 470	32	3 630	11	5 610	17	1 045	3	1 931	6	491	1	8 517	26	1 328	4	75	0	65	0	18	0	33 181
2014	8 080	22	3 591	10	4 382	12	837	2	1 535	4	505	1	8 579	24	1 622	4	123	0	72	0	6 777	19	36 103
2015	12 810	34	5 372	14	5 217	14	1 284	3	2 204	6	785	2	8 318	22	1 677	4	135	0	95	0		0	37 898
AAG (%)	1		4		2			4	1		6		-2		-2		34*		21*				1

* Calculated from 2013. Source: Fasset data system 2015

3.6 Professional bodies

Professional bodies are active in developing learnerships for the Fasset sector and broader economy. These learnerships serve as entry routes to occupations as well as to membership of the professional bodies and to the designations conferred by the professional bodies. In addition, many professional bodies set requirements for the continuous professional development (CPD) for their members in order to retain their membership and professional standing. A number of professional bodies cooperate closely with SETAs to support a range of skills development initiatives within and outside the Fasset sector.

Office bearers and delegates of professional bodies are serving members of the Fasset Management Board, or have served as members. Representatives of professional bodies are also contributing to Fasset's working committees for quality assurance and learnerships, skills planning, development projects and work-readiness programmes, as well as auditing. In this manner professional bodies share their expertise, knowledge and resources for the greater benefit of the Fasset sector.

A number of the professional associations are also registered as employers with Fasset for purposes of payment of the SDL on their payrolls. The professional bodies associated with Fasset are further analysed according to race and gender. Full membership is indicated in Table 3-9 and trainee membership in Table 3-10.

Currently, the South African Institute of Chartered Accountants (SAICA) is the professional body with the largest membership (N=37 923) in the sector with 37 923 members in 2015. Of these members, 22% were Black (African, coloured or Indian) and 33% were female (Table 3-9).

Other professional bodies with large membership are the South African Institute of Tax Practitioners (SAIT) with 11 219 members in 2015; the South African Institute of Professional Accountants (SAIPA) (8 699 members) and the Institute of Internal Auditors of South Africa (IIASA) 7 426 members. With the exception of three bodies, IIASA, IMFO and SAIBA the majority of professional body members were white.

Table 3-10 illustrates the student/trainee membership of professional bodies according to population group and gender.

In 2015 SAICA had the largest number (7 280) of trainee members. Of these members 55% were female and 55% were Black. The Institute of Certified Bookkeepers and Accountants (ICBA) had the largest share of female trainee members (78%). The majority of trainee members in the Association of Accounting Technicians South Africa (AAT(SA)), IIASA; the Institute of Municipal Finance Officers (IMFO); Chartered Secretaries Southern Africa (CSSA) and ICBA were black.

Table 3.6-1 Professional bodies⁶: Full membership by population group and gender, 2015

Name of Professional Institute	Acro- nym	African	Col- oured	Indian	White	TOTAL*	Male	Female	Total*	Female	African	
Association for Chartered Certified Accountants	ACCA											
Association for Certified Fraud Examiners South Africa	ACFESA	1 151	215	141	2 514	4 021	2 627	1 394	4 021	35	29	37
Association for the Advancement of Black Accountants	ABASA											
Association of Accounting Technicians South Africa	AAT(SA)	41	26	6	58	145	89	56	145	39	28	50
Chartered Institute of Management Accountants	CIMA											
Chartered Secretaries Southern Africa	CSSA	341	52	147	2 013	2 553	1 721	832	2 553	33	13	21
Institute of Accounting and Commerce	IACSA	369	66	96	413	944	738	206	944	22	39	56
Institute of Certified Bookkeepers and Accountants	ICBA**	449	156	181	1 411	2 197	653	1 544	2 197	70	20	36
Institute of Credit Management	ICM	749	109	427	795	2 080	666	1 414	2 080	68	36	62
Institute of Internal Auditors of South Africa	IIASA	4 496	268	705	1 849	7 426	3 746	3 643	7 426	49	61	74
Institute of Municipal Finance Officers	IMFO	1 025	46	52	812	1 935	1 223	712	1 935	37	53	58
South African Institute for Chartered Accountants	SAICA	3 349	1 187	3 988	29 188	37 712	25 232	12 691	37 923	33	9	22
South African Institute for Tax Practitioners	SAIT	3 084	452	707	5 079	11 219	6 215	5 004	11 219	45	27	38
South African Institute of Professional Accountants	SAIPA	864	324	817	6 694	8 699	5 164	3 535	8 699	41	10	23
Southern African Institute for Business Accountants	SAIBA	2 786***			2 676	5 462			5 462	0	51	51
Southern African Institute of Government Auditors	SAIGA	186	24	38	191	439	274	165	439	38	42	56

* The difference between total and breakdown figures is due to the unknown race/gender status of some members.

**ICBA's role used to fall under the ICB, but in late 2012 it was separated out from the ICB, and a new organisation, the ICBA, was formed as a separate professional body.

*** Number of Black (African, coloured and Indian) members.

Source: Professional bodies, 2015.

⁶ Membership data for 2015 could not be obtained from the Association for Chartered Certified Accountants (ACCA); Association for the Advancement of Black Accountants (ABASA) and the Chartered Institute of Management Accountants (CIMA).

Table 3.6-2 Professional bodies: Student/trainee membership by race and gender, 2015

	Acro- nym	African	Col- oured	Indian	White	TOTAL*	Male	Female	Total*	Female	African	
Association for Chartered Certified Accountants	ACCA											
Association for Certified Fraud Examiners South Africa	ACFESA	11			3		10	4	29	79	79	14
Association for the Advancement of Black Accountants	ABASA											
Association of Accounting Technicians South Africa	AAT(SA)	954	169	34	167	1 669	614	1 055	63	57	69	1 669
Association of Debt Recovery Agents	ADRA	0	0	0	0	0	0	0				0
Chartered Institute of Management Accountants	CIMA											
Chartered Secretaries Southern Africa	CSSA	796	64	74	249	1 183	420	763	64	67	79	1 183
Institute of Accounting and Commerce	IACSA	3	2		4	9	4	5	56	33	56	9
Institute of Certified Bookkeepers and Accountants	ICBA**	785	215	141	1 143	2 284	513	1 771	78	34	50	2 284
Institute of Credit Management	ICM	253	14	93	211	571	167	404	71	44	63	571
Institute of Internal Auditors of South Africa	IIASA	334	12	17	45	410	157	246	60	81	89	410
Institute of Municipal Finance Officers	IMFO	598	15	9	93	715	406	309	43	84	87	715
South African Institute for Chartered Accountants	SAICA	2 534	459	1 001	3 238	7 232	3 287	3 993	55	35	55	7 280
South African Institute for Tax Practitioners	SAIT											
South African Institute of Professional Accountants	SAIPA	392	146	131	938	1 607	973	634	39	24	42	1 607
Southern African Institute for Business Accountants	SAIBA											
Southern African Institute of Government Auditors	SAIGA	270	14	5	3	292	134	158	54	92	99	292

* The difference between total and breakdown figures is due to the unknown race/gender status of some members.

**ICBA's role used to fall under the ICB, but in late 2012 it was separated out from the ICB, and a new organisation, the ICBA, was formed as a separate professional body.

Source: Professional bodies, 2015.

3.7 Conclusions

The profile of the workers employed in the financial sector and changes in the profile are based on the WSP information submitted by employers to Fasset from 2001 to 2015. From 2001 to 2015 total employment increased on average by 4% per year from 82 811 to 140 963 in 2015.

Over the total period under review Gauteng remained the province with the largest number of employees. The Western Cape had the second largest share of employment, followed by KwaZulu-Natal.

The subsector Accounting, Bookkeeping, Auditing and Tax services has the largest number of employees in the sector. Business and Management Consulting Services has the second largest number of employees. Over the review period, both sectors' employment gradually increased by 1% and 7 % respectively. The subsectors Investment Entities and Trusts and Company Secretarial Services; Stockbroking and Financial Markets and Business and Management Consulting Services showed the highest annual growth over the entire period.

From 2001 to 2015, the employment profile of the sector changed gradually from being predominantly white to being predominantly Black: in 2001 60% of employees were white while whites dropped to 39% in 2015.

The majority of workers in the sector fall within the occupation groups managers, professionals, technicians and associated professionals and clerical support workers. Professionals remain the largest occupation group in the sector. In 2015, professionals constituted 34% of total employment and clerical support workers 27%.

Over the last four years, the demand for managers, professionals and technicians and associate professionals was higher than for occupation groups such as clerical support workers and elementary occupations. The result was that clerical support workers and elementary occupations' grew at a slower pace than total employment. An overall decrease was recorded for elementary occupations in the sector.

Professional body membership is highly regarded in the Fasset sector and the majority of professionals belong to a professional body. The professional body with the largest membership is SAICA, followed by SAIT and the IIASA. Although substantial transformation has taken place in the sector, transformation of the professional bodies is still lagging behind. In 2015 only 22% of SAICA's membership was Black. However, the trainee figures reflect that change is also taking place at this level. In most instances the majority of learners or student members are Black. It may, however, take time before the younger new professional body members will outnumber the existing white pool of fully qualified members.

4. TRAINING IN THE SECTOR

4.1 Introduction

This chapter focuses on the supply-side of Fasset's labour market – and more specifically on the flow of new entrants into the labour market. As the information presented in the previous chapter clearly indicates, the majority of the workforce in the sector is employed in professional and administrative positions that require at least a senior certificate or a post school education. The learning pathways that lead to the key occupations in this sector such as accountant and auditor require Mathematics as a subject.

This chapter starts with information on pass rates in the senior certificate exams, with specific emphasis on Mathematics and accounting. This is followed by an analysis of the output from the public higher education system in the two broad study fields that are most important to this sector. Although there are many professional bodies who play a role in Fasset's sector and whose qualifications are important, the development of Chartered Accountants (SA) (CA(SA)s) is a critical factor in the development and in the transformation of the sector. In all the years that Fasset has been monitoring its labour market, the demand for CAs has exceeded supply. At the same time employers constantly reported a shortage of Black CAs. As a consequence both Fasset and SAICA had a focus on the learning pathway leading to CA status – a long and onerous pathway. The output figures at the different stages in the development of CAs are reported in this chapter.

The chapter also includes information on Fasset's learnerships and on its lifelong learning programme.

Unfortunately Fasset has not been able to obtain detailed information on learners studying in TVET institutions from the DHET. Information available in the public domain is general, and does not specify details such as population group, disability status and gender i.e. the characteristics that Fasset focuses on in its strategy.

4.2 National Senior Certificate

The National Senior Certificate (NSC) examination of 2008 was the first examination that was based on the New Curriculum Statement (NCS), which requires all learners in Grades 10 to 12 to take seven subjects. Two of these subjects must be South African languages, one of which must be the language of teaching and learning. Besides two languages, all learners must take Life Orientation and either Mathematics or Mathematical Literacy. In addition to these four compulsory subjects, learners must choose three subjects from a list of approved subjects. To obtain an NSC a candidate must, depending on the minimum requirements, achieve either 40% or 30% in six subjects. In the seventh subject a candidate is allowed to achieve less than 30%.⁷

⁷ Education Statistics in South Africa 2011. Department of Basic Education, SA. March 2013.

Grade 12 Mathematics is a prerequisite for tertiary studies in most of the study fields relevant to Fasset. Grade 12 Accounting is not necessarily a prerequisite for tertiary studies in the field of accounting, however, bookkeepers and accounting clerks could be drawn from Grade 12 learners with Mathematics and Accounting as subjects. It is also possible that Accounting at school level could spark learners' interest in accounting as a career.

Table 4-1 indicates great variations in the number of candidates as well as the number of passes over the six year period from 2008 to 2013. The total number of learners who wrote matric dropped sharply in 2010 and 2011 but it increased again in 2012 and 2013. Similarly the number of matriculants who wrote Grade 12 Mathematics dropped in 2010 and 2011 but picked up again in 2012 and 2013. Compared to the 300 829 who wrote Mathematics in 2008 a total of 324 097 wrote in 2013. The number who achieved 40% or more for Mathematics increased from 91 796 in 2008 to 97 790 in 2013. This increase is only marginal if the number of study fields that draw from this pool of matriculants is considered.

From 2008 to 2012, the number of learners who wrote Accounting dropped significantly from 176 078 to 134 978. In 2013 the figure picked up again and in 2013 a total of 145 427 learners wrote this subject. Despite this, the number of learners who passed Accounting with 40% or more remained more stable. In 2008 55 164 passed and in 2013 this figure had increased to 60 311.

Table 4.2-1 Grade 12 Statistics: 2008-2013

Number of matriculants who-	2008		2009		2010		2011		2012		2013		AAG
	N	% of total who wrote Grade 12	N	% of total who wrote Grade 12	N	% of total who wrote Grade 12	N	% of total who wrote Grade 12	N	% of total who wrote Grade 12	N	% of total who wrote Grade 12	%
Wrote Grade 12	533 561	100	552 073	100.0	537 543	100	496 090	100	511 152	100	562 115	100	1
Achieved Grade 12	333 604	63	334 718	61	364 513	68	348 117	70	377 847	74	439764	78	5.7
Wrote Mathematics	300 829	56	301 654	55	263 034	49	224 635	45	225 874	44	324 097	58	1.5
Achieved Mathematics (40% and more)	91 796	17	90 699	16	81 374	15	67 541	14	80 716	16	97 790	17	1.3
Wrote Accounting	176 078	33	174 347	32	160 991	30	137 903	28	134 978	26	145 427	26	-3.8
Achieved Accounting (40% and more)	55 164	10	52 743	10	56 830	11	49 368	10	57 621	11	60 311	11	1.8

Source: Department of Basic Education, 2015.

4.3 Higher Education and Training

The DHET maintains the Higher Education Management Information System (HEMIS) database which provides information on the output from public universities and universities of technology. HEMIS classifies information according to the Classification of Educational Subject Matter (CESM). In 2008, the system was revised and the broad CESM category “Business, Economics and Management Studies” was disaggregated into 18 categories, compared to the 14 categories of the previous system. HEMIS collected data according to the revised categories from 2010 onwards.

The information presented in the section was obtained from HEMIS and use the CESM categories and qualification categories used in this system.

4.3.1 National Diplomas and First Degrees

Table 4-2 shows the total number of national diplomas, three-year first degrees and four-year first degrees awarded in accounting by public higher education institutions over the period 2001 to 2014. The number of national diplomas awarded over the period remained almost unchanged. The four-year degrees depicted in this table represent mainly the BTech degrees awarded by the universities of technology. These qualifications follow directly on the national diplomas and together these two columns reflect the output from the universities of technology. In terms of the four-year degrees there was a sharp increase in 2005 but thereafter the figures levelled off. The overall impression is that there was not a substantial growth in the output from the universities of technology in the field of accounting.

The information on the first three-year degrees reflects the student output of the universities – typically the BCom degrees in Accounting. As the table indicates, the total number of degrees awarded almost doubled from 2001 to 2014. This growth can be attributed to the increase in the number of Black students who graduated in the field of accounting – especially African students. While the number of African students who qualified in this field grew steadily at an average annual rate of 7% and more than doubled from 2001 to 2014, the number of white students gradually declined at an average annual rate of 2%. The number of coloured students grew slightly at an average rate of 2% per year while the number of Indian students remained more or less the same over the total period. The field of accounting also attracted more women in the period under review. In 2001 the gender distribution was about equal but the number of female graduates grew on average by 5% per year while the number of male graduates grew by only 2% per year. By 2014 the female graduates were by far in the majority.

The study field called “Other Business and Commerce” includes Business Administration, Management and Operations; Business/Corporate Communications; Entrepreneurial and Small Business Operations; Finance and Financial Management Services; Human Resource Management Services; International Business; Management Sciences and Quantitative Methods; Marketing and Real Estate and Insurance. More national diplomas and first degrees were awarded in the study field than in accounting (Table 4-3). Three-year and four-year first degrees grew steadily at respectively 8% and 6% per year from 2001 – 2014, while the number of national diplomas awarded increased on aver-

age by 4% per year. The growth in qualifications at this level is also the result of the growth in numbers of Black students. African graduates increased steadily at an annual rate of 8%, coloured students by 6% and Indian students by 7% while white students increased only marginally by 1% per year. By 2014 African graduates were by far in the majority. In this field female graduates increased on average by 7% per year and male graduates by 5%. While the gender distribution was equal in 2001, female students outnumbered males by a large margin by 2014.

Table 4.3.1-1: Accounting: National Diplomas and First Degrees according to qualification type, population group and gender: 2001 to 2014

Year	Type of qualification				Race					Gender		
	National Diplomas	1st Degrees (3yrs)	1st Degrees (4yrs)	Total	African	Coloured	Indian	White	Total	Female	Male	Total
	N	N	N	N	N	N	N	N	N	N	N	N
2001	2 876	3 550	440	6 866	3 142	481	761	2 481	6 865	3 448	3 417	6 865
2002	3 055	4 033	510	7 598	3 817	418	815	2 548	7 598	4 021	3 577	7 598
2003	3 420	4 646	668	8 734	4 484	549	872	2 830	8 735	4 649	4 085	8 734
2004	3 034	3 905	684	7 623	4 446	462	688	2 027	7 623	4 287	3 336	7 623
2005	2 898	3 596	1 915	8 409	4 639	518	707	2 543	8 407	4 770	3 638	8 408
2006	3 196	4 947	1 093	9 236	5 342	552	754	2 588	9 236	5 194	4 041	9 235
2007	2 920	5 707	1 142	9 769	5 648	600	972	2 548	9 768	5 515	4 253	9 768
2008	2 871	5 603	1 203	9 677	5 604	599	865	2 609	9 677	5 441	4 235	9 676
2009	3 207	5 544	1 294	10 045	6 088	650	777	2 530	10 045	5 725	4 321	10 046
2010	2 779	5 983	1 332	10 094	6 279	650	785	2 380	10 094	5 767	4 327	10 094
2011	3 102	6 198	1 049	10 349	6 690	639	859	2 161	10 349	5 977	4 372	10 349
2012	3 268	6 198	979	10 445	6 998	597	837	2 013	10 445	6 026	4 419	10 445
2013	3 271	6 366	1 078	10 715	7 146	598	868	2 103	10 715	6 180	4 535	10 715
2014	3 046	6 329	1 364	10 739	7 450	596	782	1 912	10 740	6 267	4 471	10 738
Total	42 943	72 605	14 751	130 299*	77 773	7 909	11 342	33 273	130 297*	73 267	57 027	130 294*
AAG %	0	5	9	4	7	2	0	-2	4	5	2	4

* Due to rounding, totals may vary.

Source: Department of Higher Education and Training, HEMIS.

Table 4.3.1-2 Other business and commerce: National Diplomas and First Degrees according to qualification type, population group and gender: 2001 to 2014

Year	Type of qualification				Race					Gender		
	National Diplomas	1st Degrees (3yrs)	1st Degrees (4yrs)	Total	African	Coloured	Indian	White	Total	Female	Male	Total
	N	N	N	N	N	N	N	N	N	N	N	N
2001	4 670	2 610	1 988	9 268	5 131	656	511	2 971	9 269	4 875	4 394	9 269
2002	4 943	2 976	1 920	9 839	5 257	733	655	3 194	9 839	5 305	4 534	9 839
2003	5 675	3 329	2 103	11 107	6 265	788	801	3 253	11 107	6 163	4 944	11 107
2004	5 422	2 676	2 124	10 222	6 344	705	662	2 512	10 223	5 811	4 412	10 223
2005	5 131	3 897	2 668	11 696	6 525	848	1 046	3 278	11 697	6 670	5 027	11 697
2006	5 736	4 490	2 146	12 372	7 373	890	986	3 123	12 372	7 278	5 093	12 371
2007	5 862	4 354	2 607	12 823	7 879	951	1 021	2 973	12 824	7 454	5 370	12 824
2008	6 367	4 791	2 707	13 865	8 668	1 057	1 107	3 033	13 865	8 139	5 726	13 865
2009	6 640	5 306	3 185	15 131	9 643	1 151	1 104	3 234	15 132	8 989	6 142	15 131
2010	6 371	5 880	3 595	15 847	9 866	1 183	1 121	3 677	15 847	9 314	6 532	15 846
2011	7 785	6 150	3 905	17 840	11 676	1 251	1 223	3 689	17 839	10 554	7 287	17 841
2012	7 969	6 353	4 252	18 574	12 688	1 296	1 154	3 436	18 574	11 210	7 363	18 573
2013	8 126	7 493	4 445	20 064	13 921	1 318	1 328	3 496	20 063	11 949	8 115	20 064
2104	8 083	7 407	4 332	19 822	13 893	1 350	1 263	3 315	19 821	11 716	8 105	19 821
Total	88 780	67 712	41 977	198 469*	125 129	14 177	13 982	45 184	198 472*	115 427	83 044	198 471*
AAG %	4	8	6	6	8	6	7	1	6	7	5	6

* Totals in the different breakdowns may vary because of rounding of HEMIS data.

Source: Department of Higher Education and Training, HEMIS.

4.3.2 Post Graduate Diplomas and Honours Degrees

Over the twelve-year period, more honours degrees than postgraduate diplomas in accounting were awarded. Annual output of honours degrees grew from 2 167 in 2001 to 3 272 in 2014 at an average rate of 3% per year. Postgraduate diplomas also showed growth of 3%. In 2001 most of the postgraduate diplomas and honours degrees were awarded to white people. The situation changed gradually over time, but the change was not as pronounced as the change in first degrees. The number of African graduates grew on average by 12% per year, coloureds by 7% and Indians by 4% while the number of white graduates decreased by 2% per year. By 2014 the majority of people who graduated in that year were Black. However, at an aggregate level, the white graduates who qualified over the total period under review still outnumbered the Black graduates. The gender distribution of graduates at this level also changed gradually over time and where females were slightly in a minority in 2001 they were slightly in a majority by 2014.

In other business and commerce fields 16 823 postgraduate diplomas and 22 803 honours degrees were awarded from 2001 to 2014. Most of these qualifications were completed by whites (N= 17 309) and Africans (N=15 285) and by more females (N=20 890) than males (N=18 699). Qualifications awarded to Africans increased annually by 13%, while qualifications awarded to whites increased only by 5%.

All in all, from 2001 to 2014, more post graduate diplomas and honours degrees were awarded in accounting (N=44 196) than in other business and commerce fields (N=39 626). Over the entire period, however, the latter showed higher growth (8%) than accounting (3%).

Table 4.3.2-1 Accounting: Post Graduate Diplomas and Honours Degrees according to qualification type, population group and gender: 2001 to 2014

Year	Type of qualification			Race					Gender		
	Post-graduate Diplomas	Honours Degrees	Total	African	Coloured	Indian	White	Total	Female	Male	Total
	N	N	N	N	N	N	N	N	N	N	N
2001	614	2 167	2 781	431	100	381	1 870	2 782	1 223	1 559	2 782
2002	646	2 536	3 182	646	135	370	2 030	3 181	1 411	1 771	3 182
2003	677	2 513	3 190	639	131	436	1 984	3 190	1 449	1 741	3 190
2004	474	1 746	2 220	427	94	286	1 413	2 220	1 050	1 169	2 219
2005	491	2 533	3 024	649	138	397	1 840	3 024	1 453	1 571	3 024
2006	512	2 414	2 926	614	145	417	1 751	2 927	1 472	1 454	2 926
2007	617	2 301	2 918	556	150	365	1 847	2 918	1 498	1 419	2 917
2008	620	2 282	2 902	674	164	417	1 647	2 902	1 435	1 467	2 902
2009	746	1 923	2 669	707	150	377	1 435	2 669	1 348	1 321	2 669
2010	1 047	2 393	3 440	1 175	213	475	1 577	3 440	1 758	1 681	3 439
2011	941	2 496	3 437	1 193	221	484	1 539	3 437	1 734	1 703	3 437
2012	1 068	2 505	3 573	1 304	244	475	1 550	3 573	1 831	1 741	3 572
2013	1 014	2 795	3 809	1 592	237	502	1 478	3 809	2 036	1 774	3 810
2104	853	3 272	4 125	1 800	240	609	1 477	4 126	2 221	1 904	4 125
Total	10 320	33 876	44 196*	12 407	2 362	5 991	23 438	44 198*	21 919	22 275	44 194*
AAG %	3	3	3	12	7	4	-2	3	5	2	3

* Due to rounding, totals may vary.

Source: Department of Higher Education and Training, HEMIS.

Table 4.3.2-2 Other business and commerce: Post Graduate Diplomas and First Degrees according to qualification type, population group and gender: 2001 to 2014

	Type of qualification			Race					Gender		
	Postgraduate Diplomas	Honours Degrees	Total	African	Coloured	Indian	White	TOTAL	Female	Male	Total
Year	N	N	N	N	N	N	N	N	N	N	N
2001	816	1 026	1 842	557	100	231	954	1 842	861	981	1 842
2002	989	1 003	1 992	658	113	325	896	1 992	920	1 073	1 993
2003	992	1 110	2 102	672	149	342	939	2 102	1 006	1 096	2 102
2004	885	1 282	2 167	685	141	292	1 013	2 131	1 028	1 102	2 130
2005	819	1 262	2 081	637	140	199	1 104	2 080	1 075	1 005	2 080
2006	873	1 071	1 944	652	125	197	970	1 944	1 076	867	1 943
2007	955	1 118	2 073	776	147	213	938	2 074	1 213	861	2 074
2008	892	1 188	2 080	710	150	232	988	2 080	1 123	957	2 080
2009	1 126	1 419	2 545	995	227	266	1 056	2 544	1 432	1 113	2 545
2010	1 463	2 010	3 473	1 168	267	346	1 692	3 473	1 829	1 644	3 473
2011	1 502	2 106	3 608	1 399	248	337	1 624	3 608	1 899	1 709	3 608
2012	1 923	1 981	3 904	1 569	268	339	1 727	3 903	2 062	1 842	3 904
2013	1 593	3 068	4 661	2 203	309	452	1 696	4 660	2 550	2 110	4 660
2014	1 995	3 159	5 154	2 604	352	487	1 712	5 155	2 816	2 339	5 155
Total	16 823	22 803	39 626*	15 285	2 736	4 258	17 309	39 588*	20 890	18 699	39 589*
AAG %	7	9	8	13	10	6	5	8	10	7	8

* Of the 39 626 qualifications, some learners' race and gender were unknown.

Source: Department of Higher Education and Training, HEMIS.

4.3.3 Master's and Doctoral Degrees

Table 4-6 shows the number of Masters' and Doctoral degrees awarded by public higher education institutions in South Africa from 2001 to 2014. The number of masters' graduates in accounting fluctuated substantially over the period. Nevertheless, the output increased annually by 12% to a total of 207 in 2014. In contrast, the number of Masters' graduates in commerce, business management and business administration increased steadily by 3% per year to a total of 1 990 in 2014.

Over the twelve-year period, fewer doctoral degrees were awarded in accounting (N=86) compared to doctoral degrees in commerce, business management and business administration field (N= 910). The number of degrees in accounting per year remained below 12 per annum, while doctoral degrees in the other fields increased from 20 in 2001 to 119 in 2014.

Table 4.3.3-1 Accounting and other business and commerce: Master's and Doctoral Degrees 2001 to 2014

	Masters degrees: Accounting & related fields	Masters degrees: Commerce, business management & business administration fields	Doctoral degrees: Accounting & related fields	Doctoral degrees: Commerce, business management & business administration fields
Year	N	N	N	N
2001	66	1 472	6	20
2002	124	1 453	2	40
2003	88	1 449	10	53
2004	230	1 050	4	54
2005*	134	1 384	2	48
2006	175	1 332	5	43
2007	244	1 506	11	58
2008	178	1 388	9	68
2009	182	1 349	4	58
2010	123	1 648	7	63
2011	147	1 925	5	82
2012	189	1 982	6	102
2013	199	1 919	6	102
2014	207	1 990	9	119
Total	2 286	21 847	86	910
AAG %	12	3	4	20

* Including Universities of Technology. Source: Department of Higher Education and Training, HEMIS.

4.4 Professional training of CA(SA)s

An undergraduate qualification at a SAICA-accredited university is the first step towards becoming a chartered accountant. This is followed by the completion of a SAICA-accredited postgraduate Certificate in the Theory of Accounting (CTA) programme or equivalent on NQF level 8 that allows access into the first of two qualifying examinations: SAICA's Initial Test of Competence (ITC) previously known as Part I of the Qualifying Examination. Previously this was followed by a Part II examination. This was replaced in 2014 by the Assessment of Professional Competence (APC).

4.4.1 Theory of Accounting (CTA) programme

Figure 4-1 portrays the total number of CTA enrolments and completions from 2002 to 2014. First, the figure shows a huge difference between the number of enrolments versus completions in every year i.e. less than half the candidates who enrolled for the CTA in any year, successfully completed the qualification. Second, the number of enrolments decreased annually from 2002 to 2014 by 1%. Third, the number of completions increased slightly from 2 192 in 2002 to 2 435 in 2014 (AAG 1%).

Of the 27 040 successful completions since 2002, 15 536 (57%) candidates were white, 5 619 (21%) African, 1 527 (6%) coloured, 4 358 (16%) Indian and 775 (3%) were non-South Africans. Table 4-7 shows the population group distribution in more detail. Compared to 2001, only African enrolments for CTA increased from 1 636 candidates in 2002 to 2 174 in 2014. Fewer coloureds, Indians and whites sat for the exam in 2014 than in 2002. White enrolments showed the largest decrease: from 3 286 in 2001 to 1 694 in 2014. However, an increase in pass rates is evident for all groups.

There were no discernible differences in the number of enrolments or in the pass rates of male and female candidates (Table 4-8).

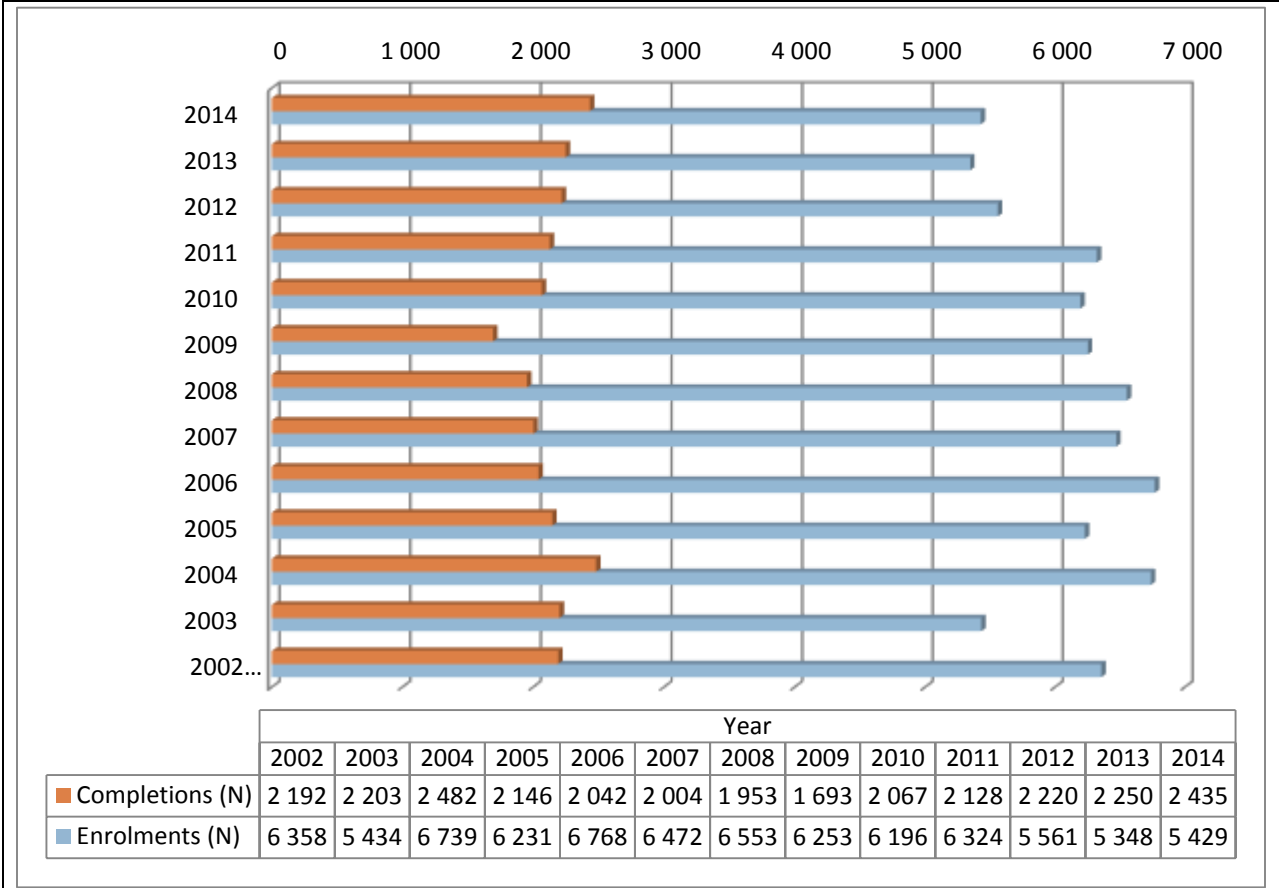


Figure 4.4.1-1 CTA programme: Enrolments and completions 2002 - 2014

Source: SAICA database, 2015.

Table 4.4.1-1 CTA programme: Enrolments and completions according to population group 2002 - 2014

Race	Status	Number	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
African	Enrolments	N	1 636	1 401	1 912	1 862	1 981	1 915	2 013	2 114	2 157	2 453	2 259	2 152	2 174
	Completions	N	300	371	428	351	299	320	326	323	442	520	602	617	720
	Pass rate	%	18	26	22	19	15	17	16	15	20	21	27	29	33
Coloured	Enrolments	N	386	248	371	350	400	414	386	390	391	430	384	364	339
	Completions	N	102	79	98	111	103	110	110	93	122	151	162	142	144
	Pass rate	%	26	32	26	32	26	27	28	24	31	35	42	39	42
Indian	Enrolments	N	1 050	1 010	1 119	1 108	1 227	1 139	1 272	1 187	1 148	1 067	892	904	885
	Completions	N	337	391	343	296	331	289	329	303	358	313	310	339	419
	Pass rate	%	32	39	31	27	27	25	26	26	31	29	35	38	47
White	Enrolments	N	3 286	2 775	3 337	2 911	2 956	2 824	2 620	2 305	2 267	2 193	1 844	1 660	1 694
	Completions	N	1 453	1 362	1 613	1 388	1 250	1 238	1 110	899	1 073	1 077	1 063	1 022	988
	Pass rate	%	44	49	48	48	42	44	42	39	47	49	58	62	58
Non SA Citizens*	Enrolments	N					204	180	262	257	233	181	182	268	337
	Completions	N					59	47	78	75	72	67	83	130	164
	Pass rate	%					29	26	30	29	31	37	46	49	49
Total	Enrolments	N	6 358	5 434	6 739	6 231	6 768	6 472	6 553	6 253	6 196	6 324	5 561	5 348	5 429
	Completions	N	2 192	2 203	2 482	2 146	1 983	1 957	1 875	1 618	1 995	2 061	2 137	2 120	2 271
	Pass rate	%	34	41	37	34	29	30	29	26	32	33	38	40	42

* No data on non-South African citizens before 2006.

Source: SAICA database, 2015.

Table 4.4.1-2 CTA programme: Enrolments and completions according to gender 2002 – 2014

Gender	Registration		2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Female	Enrolments	N	2 743	1 516	3 145	2 963	3 347	3 243	3 302	3 116	3 092	3 147	2 799	2 753	2 842
	Completions	N	1 004	706	1 167	1 056	1 070	1 019	971	830	1 045	1 041	1 116	1 141	1 288
	Pass rate	%	37	47	37	36	32	31	29	27	34	33	40	41	45
Male	Enrolments	N	3 615	3 918	3 594	3 268	3 421	3 229	3 251	3 137	3 104	3 177	2 762	2 595	2 587
	Completions	N	1 188	1 497	1 315	1 090	972	985	982	863	1 022	1 087	1 104	1 109	1 147
	Pass rate	%	33	38	37	33	28	31	30	28	33	34	40	43	44
Total	Enrolments	N	6 358	5 434	6 739	6 231	6 768	6 472	6 553	6 253	6 196	6 324	5 561	5 348	5 429
	Completions	N	2 192	2 203	2 482	2 146	2 042	2 004	1 953	1 693	2 067	2 128	2 220	2 250	2 435
	Pass rate	%	34	41	37	34	30	31	30	27	33	34	40	42	45

Source: SAICA database, 2015.

4.4.2 Part I and Part II examinations

The qualifying exam in the CA qualification is split into two parts: the Initial Test of Competence (ITC) previously known as Part I of the qualifying exam (or QE1), followed the Assessment of Professional Competence (APC) previously known as Part 2 of the qualifying exam (or QE2).

The Part I exam (ITC) is the standard setting exam which is written after the completion of an accredited CTA programme and is an assessment of core technical competence. The Part II exam (APC) assesses professional competence. To qualify for this final assessment candidates must have successfully completed the ITC, 20 months of a registered training contract and a professional programme⁸.

This section starts with a discussion of the Part I and Part II exams in terms of total enrolments, total passes and pass rates. This is followed by an analysis by race and gender of candidates who successfully completed the qualification process i.e. Part I and II examinations.

The number of enrolments and passes were calculated as follows from SAICA's database:

- The year of enrolment for the Part I exam is used as the *base year* to determine passes and pass rates.
- The number of Part I exam passes is the same number used for Part II enrolments.
- For example: Candidate A enrolls for the Part I exam in 2002 but failed the exam. Candidate B enrolls for the Part I exam in 2002 and pass the exam. Candidate A and B is included in Part I exam enrolments but only B is included in 2002 Part I exam passes. Candidate B is also included in 2002 Part II exam enrolments. However, candidate B only completes the Part II exam successfully in 2004. Irrespective of the year of completion, the year of enrolment (2002) is used as the base year to calculate passes, pass rates and success rates.

Part I exam

Enrolments = Total number of candidates who registered for the Part 1 exam in a particular year (failures + passes)

Passes = Total number of candidates who successfully completed the Part I exam i.e. passes.

Part II exam:

Enrolments = Total number of candidates who successfully completed the Part I exam in a particular year.

Passes = Total number of candidates who successfully completed the Part II exam i.e. PPE, Financial management or APC.

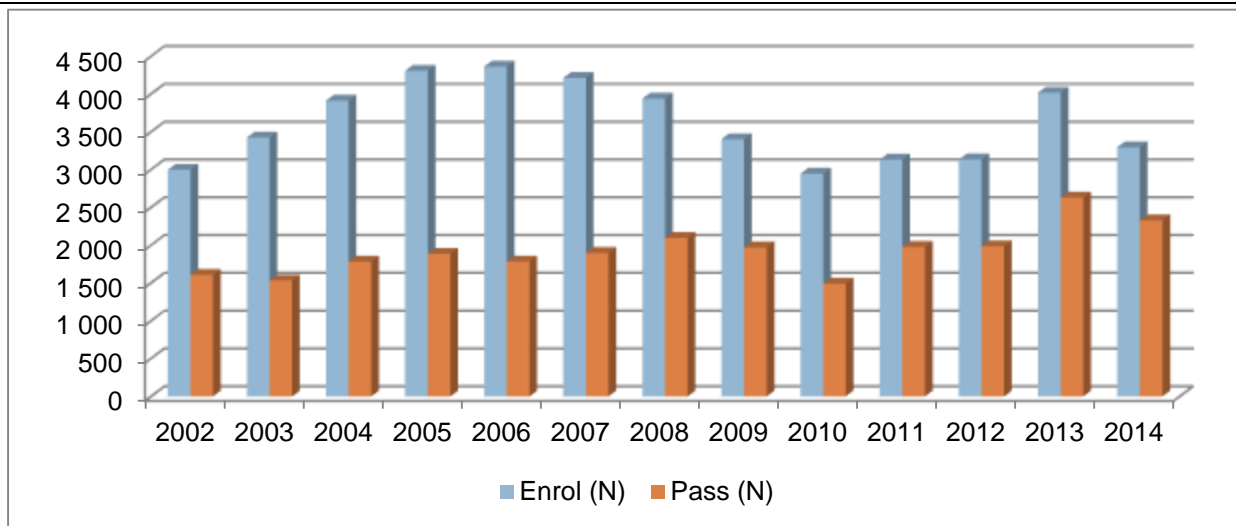
Success:

Candidates who enrol for the Part I exam in a particular year and successfully complete the Part II exam in the same or any other year thereafter.

⁸ Information from SAICA website, 2 December 2015.

Figure 4-2 shows an increase in the number of enrolments and passes for the Part I exam over the twelve-year period. The pass rate increased from 54% in 2002 to 71% in 2014, with an average pass rate of 52%.

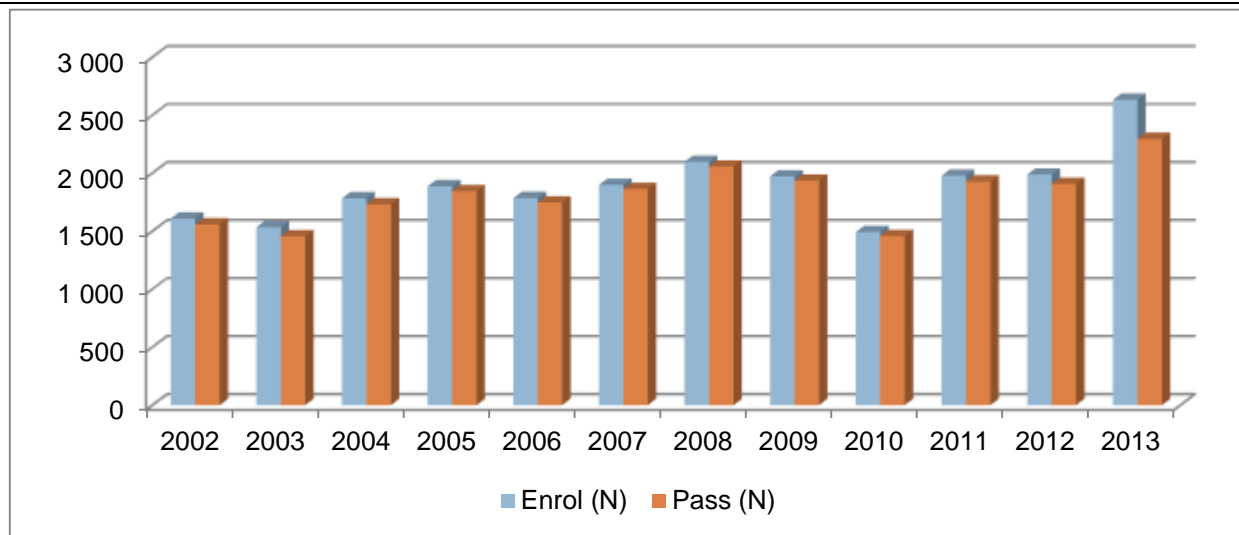
The Part II exam shows similar increases in the number of enrolments and passes from 2002 to 2013 but with much higher and stable pass rates than the Part I exam (Figure 4-3). The average pass rate over the period was 96%.



Year	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	AAG (%)
Enrol (N)	2 999	3 426	3 913	4 309	4 364	4 214	3 940	3 403	2 948	3 133	3 136	4 018	3 295	3
Pass (N)	1 608	1 534	1 783	1 887	1 785	1 899	2 097	1 972	1 492	1 978	1 987	2 632	2 329	5
Pass rate (%)	54	45	46	44	41	45	53	58	51	63	63	66	71	

Figure 4.4.2-1 Part I exam: Enrolments, passes and pass rates 2002 – 2014

Source: SAICA database, 2015.



Year	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	AAG (%)
Enrol (N)	1 608	1 534	1 783	1 887	1 785	1 899	2 097	1 972	1 492	1 978	1 987	2 632	5
Pass (N)	1 558	1 455	1 730	1 845	1 748	1 864	2 057	1 935	1 458	1 928	1 907	2 295	4
Pass rate (%)	97	95	97	98	98	98	98	98	98	97	96	87	

Figure 4.4.2-2 Part II exam: Enrolments, passes and pass rates 2002 – 2013*

* Year 2014's data is still incomplete and not showed.

Source: SAICA database, 2015.

Table 4-9 shows a racial breakdown from 2002 to 2013 of the number of candidates who successfully completed the qualification process to become CA's. In total, 43 799 candidates enrolled for the Part I exam and 21 781 successfully completed the Part II exam.

Over the same period the Part I exam enrolments of African, coloured and Indian candidates increased, while the number of white enrolments decreased. Likewise, the number of Part II exam passes increased: African, coloured and Indian passes showed increases and white passes remained more or less the same. For example, African passes increased from 156 in 2002 to 640 in 2013 at an annual rate of 14%. Black (African, coloured and Indian) passes exceeded white passes for the first time in 2013.

The success rate in the CA qualification process was determined by dividing the number of candidates who passed the Part II exam by the number of candidates who enrolled for the first time for the Part I exam (Table 4-10). The total success rate increased from 52% in 2002 to 57% in 2013. The success rate of African candidates showed the largest increase since 2002. The average success rate of whites was the highest (66 % overall).

Table 4.4.2-1 Successful completion of the qualification process by population group: 2002- 2013

Year	Enrol Part I exam						Pass Part II exam					
	African	Coloured	Indian	White	Other*	Total	African	Coloured	Indian	White	Other*	Total
	N	N	N	N	N	N	N	N	N	N	N	N
2002	420	151	532	1 883	13	2 999	156	75	262	1 057	8	1 558
2003	543	174	587	2 106	16	3 426	103	57	190	1 097	8	1 455
2004	788	195	764	2 154	11	3 912	215	77	258	1 173	8	1 731
2005	947	203	810	2 342	6	4 308	239	84	208	1 311	3	1 845
2006	1 002	221	867	2 259	14	4 363	260	79	238	1 161	10	1 748
2007	955	230	870	2 140	18	4 213	281	98	311	1 162	12	1 864
2008	897	214	762	2 048	19	3 940	365	98	357	1 223	14	2 057
2009	763	208	621	1 784	27	3 403	324	111	307	1 170	23	1 935
2010	702	181	600	1 451	14	2 948	302	82	244	822	8	1 458
2011	749	202	618	1 537	27	3 133	389	113	299	1 104	23	1 928
2012	854	218	622	1 416	26	3 136	447	120	299	1 023	18	1 907
2013	1 242	315	808	1 637	16	4 018	640	165	403	1 079	8	2 295
Total	9 862	2 512	8 461	22 757	207	43 799	3 721	1 159	3 376	13 382	143	21 781
AAG (%)	10	7	4	-1	2	3	14	7	4	0	0	4

*Non-South African and unknown race candidates.

Source: SAICA database, 2015.

Table 4.4.2-2 Percentage students who successfully completed both exams by population group 2002- 2013

Year	African	Coloured	Indian	White	Other	Total
	%	%	%	%	%	%
2002	37	50	49	56	62	52
2003	19	33	32	52	50	42
2004	27	39	34	54	73	44
2005	25	41	26	56	50	43
2006	26	36	27	51	71	40
2007	29	43	36	54	67	44
2008	41	46	47	60	74	52
2009	42	53	49	66	85	57
2010	43	45	41	57	57	49
2011	52	56	48	72	85	62
2012	52	55	48	72	69	61
2013	52	52	50	66	50	57
Total	38	46	40	59	69	50

Source: SAICA database, 2015.

All in all over the review period, more males than females enrolled for the Part 1 exam and completed the Part II exam successfully (Table 4-11). However, the average annual growth rate of female enrolments (4%) and passes (5%) were higher than those of males (Enrolments 1%, passes 2%). Female passes exceeded male passes for the first time in 2013.

Table 4.4.2-3 Number of first enrolments (Part I) and passes (Part II) by gender: 2002- 2013

Year	Enrol Part I			Complete Part II		
	Female	Male	Total	Female	Male	Total
	N	N	N	N	N	N
2002	1 283	1 716	2 999	686	872	1 558
2003	1 507	1 919	3 426	647	808	1 455
2004	1 751	2 161	3 912	772	959	1 731
2005	1 991	2 317	4 308	837	1 008	1 845
2006	2 082	2 281	4 363	848	900	1 748
2007	2 065	2 148	4 213	927	937	1 864
2008	1 953	1 987	3 940	1 022	1 035	2 057
2009	1 716	1 687	3 403	951	984	1 935
2010	1 483	1 465	2 948	712	746	1 458
2011	1 604	1 529	3 133	962	966	1 928
2012	1 589	1 547	3 136	924	983	1 907
2013	2 069	1 949	4 018	1 192	1 103	2 295
Total	21 093	22 706	43 799	10 480	11 301	21 781
AAG (%)	4	1	3	5	2	4

Source: SAICA database, 2015.

The success rate of females increased from 53% in 2002 to 58% in 2013 and those of males from 51% to 57% (Table 4-12). According to the table the lowest success rates for females and males were experienced from 2003 to 2007. All in all, half of the candidates who enrolled for the Part I exam successfully completed the qualification process.

Table 4.4.2-4 Percentage students who successfully completed Part I and Part II exams by gender: 2002- 2013

Year	Female	Male	Total
	%	%	%
2002	53	51	52
2003	43	42	42
2004	44	44	44
2005	42	44	43
2006	41	39	40
2007	45	44	44
2008	52	52	52
2009	55	58	57
2010	48	51	49
2011	60	63	62
2012	58	64	61
2013	58	57	57
Total	50	50	50

Source: SAICA database, 2015.

4.4.3 Learnerships

A learnership is a workplace-based education and training programme leading to an NQF registered qualification. Learnerships are based on a legally binding agreement between an employer, a learner and a training provider. Employers' roles are to provide the workplace exposure and mentorship needed by learners. Most of the professional body qualifications in the sector are achieved through learnerships.

Since 2001, the majority of all completed Fasset learnerships were for the Chartered Accountant: Auditing qualification, which is administered by SAICA and which forms part of the CA learning pathway described in the previous section. Other learnerships included in the statistics are, for example, FET Certificate: Debt Recovery (NQF level 4), National Certificate: Business Administration Services (NQF level 2), Post Graduate Diploma: Professional Accountant in Practice (NQF level 8) and the Certificate: Public Sector Accounting (NQF level 4).

First, this section focusses on the total number of enrolments and completions from 2001 to 2014. This is followed by the numbers according to NQF level. Finally, the Chartered Accountant: Auditing (NQF level 7) learnership is discussed in more detail.

Figure 4-4 displays the number of enrolments and completions from 2001 – 2014. Of the 65 973 enrolments for Fasset learnerships, 39 186 (59%) were completed.

The professional character of the sector is specifically evident in Table 4-13: The majority of learnerships offered were at NQF levels 7 and 8. However, the overall completion rate is relatively low (59%). Total enrolments increased from 3 073 in 2002 to 4 702 in 2014 and completions from 2 343 to 3 931, both at an average rate of 4% per year.

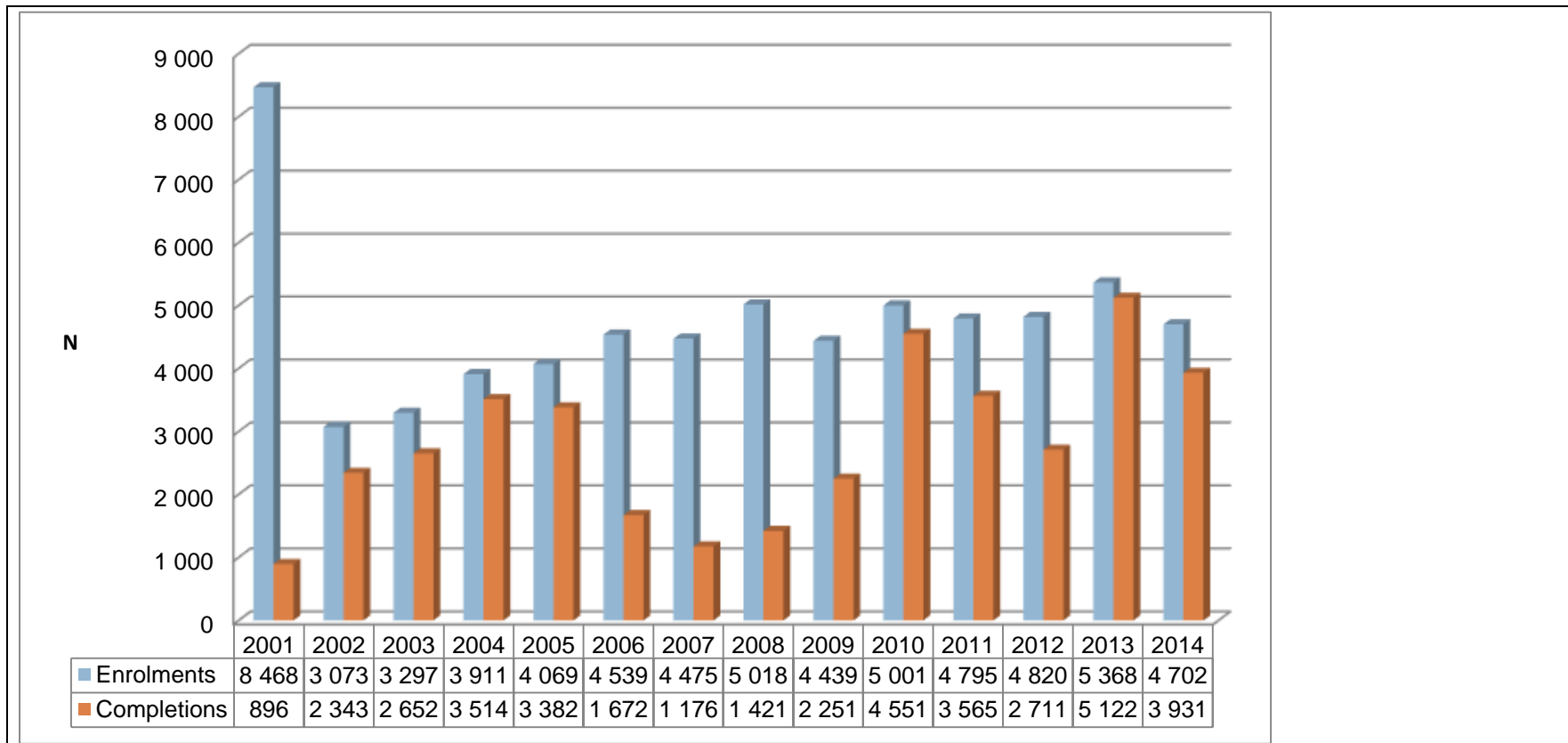


Figure 4.4.3-1 Learnerships 2001 - 2014: Total enrolments and completions

Source: Fasset database, 2015.

Table 4.4.3-1 Enrolments and completions according to NQF level: 2001 – 2014.

Year	NQF level 1		NQF level 2		NQF level 3		NQF level 4		NQF level 5		NQF level 6		NQF levels 7 and 8*		Total	
	Enrol	Com-plete	Enrol	Com-plete	Enrol	Com-plete	Enrol	Com-plete	Enrol	Com-plete	Enrol	Com-plete	Enrol	Com-plete	Enrol	Com-plete
	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N
2001									2				8 466	896	8 468	896
2002													3 073	2 343	3 073	2 343
2003					7		20		4		2		3 264	2 652	3 297	2 652
2004					9		25	5	6		7		3 864	3 508	3 911	3 513
2005					33		213	47	45	4	39		3 739	3 331	4 069	3 382
2006			163		23	4	29	2	79	1	76	7	4 169	1 658	4 539	1 672
2007			2		7	2	146	1	110	2	28	12	4 182	1 159	4 475	1 176
2008			345		476	5	41	33	132	12	61		3 963	1 371	5 018	1 421
2009			116		28	135	154	85	106	7	23	6	4 012	2 018	4 439	2 251
2010			102	3	17	117	88	150	178	8	41	2	4 575	4 271	5 001	4 551
2011			23	8	97	2	109	59	247	19	99	3	4 220	3 474	4 795	4 112
2012			28		68	1	293	153	238	16	74	11	4 118	2 530	4 819	2 711
2013	1		381	104	149		506	8	127	7	51	7	4 152	4 996	5 367	5 122
2014	70		130	216	137	11	96	164	104	70	43	16	4 120	3 453	4 700	3 930
Total	71	0	1 290	331	1 051	277	1 720	707	1 378	146	544	64	59 919	37 661	65 973	39 186

*The National Qualifications Framework Act No 67 of 2008 became operational in 2011. This act changed the NQF levels from 8 to 10. This change had a significant effect on the Level 7 and 8 learnerships. Most were changed from Level 7 to 8. In order to retain the time series, these two levels are combined in this table.

Source: Fasset database, 2015.

Enrolments for the Chartered Accountant: Auditing learnership represented 84% of total enrolments in the sector. Learnership results for this learnership are further analysed and discussed by population group and gender. Over the 12 years a total of 50 597 candidates enrolled for the Chartered Accountant: Auditing learnership, while 36 862 (73%) candidates completed the learnership (Table 4-14). Of the enrolments 25 158 were female and 25 439 male and of the learners who completed 17 897 were female and 18 875 were male. Indian and white males had the highest overall completion rate (78%), while 76% of Indian females completed their learnerships.

The population group and gender breakdown of enrolments in Table 4-15 shows total enrolments comprises 25% Africans, 6% coloureds, 15% Indians and 56% whites. Completions, on the other hand, totals 20% Africans, 5% coloureds, 16% Indians and 59% whites (Table 4-16). The number of black (African, coloured and Indian) enrolments increased annually by 1 % from 2002 to 2014, while Black completions increased by 9%.

Table 4.4.3-2 Chartered Accountant: Auditing: Total enrolments and completions by population group and gender

Registration Status	African		Coloured		Indian		White		Total		TOTAL
	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	
Enrolled (N)	6 345	5 875	1 562	1 279	3 829	3 757	13 422	14 528	25 158	25 439	50 597
Completed (N)	3 853	3 705	1 037	878	2 922	2 922	10 175	11 370	17 987	18 875	36 862
Success rate %	61	63	66	69	76	78	76	78	71	74	73

Source: Fasset database, 2015.

Table 4.4.3-3 Chartered Accountant: Auditing: Enrolments by population group and gender 2001 - 2014

Year	African				Coloured				Indian				White				Total				TOTAL	
	Female		Male		Female		Male		Female		Male		Female		Male		Female		Male			
	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%
2001	463	6	549	7	155	2	141	2	528	6	583	7	2 652	33	3 067	38	3 798	47	4 340	53	8 138	100
2002	166	6	182	7	56	2	55	2	195	7	191	7	879	33	963	36	1 296	48	1 391	52	2 687	100
2003	238	8	238	8	59	2	59	2	230	8	178	6	920	32	919	32	1 447	51	1 394	49	2 841	100
2004	269	9	271	9	68	2	59	2	236	8	232	8	831	29	944	32	1 404	48	1 506	52	2 910	100
2005	386	12	336	11	99	3	73	2	228	7	215	7	897	28	935	30	1 610	51	1 559	49	3 169	100
2006	451	12	410	11	134	4	79	2	273	7	283	8	986	27	1 062	29	1 844	50	1 834	50	3 678	100
2007	482	13	515	14	108	3	94	3	292	8	286	8	922	25	987	27	1 804	49	1 882	51	3 686	100
2008	525	16	447	13	104	3	87	3	258	8	268	8	831	25	850	25	1 718	51	1 652	49	3 370	100
2009	462	14	417	12	114	3	101	3	280	8	289	9	835	25	878	26	1 691	50	1 685	50	3 376	100
2010	563	15	485	13	141	4	121	3	334	9	317	8	938	24	978	25	1 976	51	1 901	49	3 877	100
2011	552	15	538	15	150	4	106	3	259	7	266	7	834	23	868	24	1 795	50	1 778	50	3 573	100
2012	623	18	541	16	129	4	129	4	277	8	260	8	677	20	795	23	1 706	50	1 725	50	3 431	100
2013	690	20	546	16	159	5	114	3	252	7	249	7	663	19	731	21	1 764	52	1 640	48	3 404	100
2014	475	19	400	16	86	4	61	2	187	8	140	6	557	23	551	22	1 305	53	1 152	47	2 457	100
Total	6 345	13	5 875	12	1 562	3	1 279	3	3 829	8	3 757	7	13 422	27	14 528	29	25 158	50	25 439	50	50 597	100

Source: Fasset database, 2015.

Table 4.4.3-4 Chartered Accountant: Auditing: Completions: by population group and gender 2001 - 2014

Year	African				Coloured				Indian				White				Total				TOTAL	
	Female		Male		Female		Male		Female		Male		Female		Male		Female		Male			
	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%
2001	63	7	47	5	19	2	12	1	59	7	40	5	308	36	312	36	449	52	411	48	860	100
2002	134	6	133	6	40	2	55	2	148	7	173	8	689	30	894	39	1 011	45	1 255	55	2 266	100
2003	138	5	164	6	47	2	47	2	200	8	186	7	845	33	938	37	1 230	48	1 335	52	2 565	100
2004	226	7	288	8	80	2	59	2	271	8	279	8	1 045	30	1 194	35	1 622	47	1 820	53	3 442	100
2005	238	7	225	7	72	2	58	2	229	7	251	8	1 037	32	1 154	35	1 576	48	1 688	52	3 264	100
2006	103	6	120	7	51	3	36	2	123	8	129	8	490	30	579	35	767	47	864	53	1 631	100
2007	105	9	85	8	19	2	18	2	84	8	87	8	338	30	377	34	546	49	567	51	1 113	100
2008	119	9	137	10	37	3	36	3	99	7	93	7	360	27	443	33	615	46	709	54	1 324	100
2009	188	9	162	8	67	3	43	2	130	7	147	7	603	30	658	33	988	49	1 010	51	1 998	100
2010	503	12	504	12	144	3	103	2	369	9	345	8	1 116	26	1 175	28	2 132	50	2 127	50	4 259	100
2011	497	14	435	13	90	3	83	2	270	8	287	8	883	26	911	26	1 740	50	1 716	50	3 456	100
2012	304	12	269	11	70	3	74	3	238	10	225	9	617	25	697	28	1 229	49	1 265	51	2 494	100
2013	703	14	660	13	180	4	158	3	448	9	440	9	1 074	22	1 257	26	2 405	49	2 515	51	4 920	100
2014	532	16	476	15	121	4	96	3	254	8	240	7	770	24	781	24	1 677	51	1 593	49	3 270	100
Total	3 853	10	3 705	10	1 037	3	878	2	2 922	8	2 922	8	10 175	28	11 370	31	17 987	49	18 875	51	36 862	100

Source: Fasset database, 2015.

4.4.4 Lifelong Learning

Fasset's lifelong learning training events are skills development initiatives to assist smaller employers in the sector to keep up-to-date with sector developments. Certificates of attendance are given to people participating in these events.

In total, Fasset offered 104 795 learning opportunities to people in the financial sector from 2007 to 2014 (Table 4-17). Of these, 35 401 (34%) were for budget and tax updates, 25 637 (24%) for soft skill training and 14 215 (14%) for management and leadership training. The number of opportunities increased from 2 743 in 2007 to 26 458.

Table 4-18 shows the population group and gender breakdown of beneficiaries of these interventions. From 2007 to 2014 beneficiaries comprised 14% African females, 9% African males, 6% coloured females, 3% coloured males, 6 % Indian females, 5% Indian males, 33% white females and 25% white males. Fifty-nine per cent of beneficiaries of life-long learning were female.

Table 4.4.4-1 Lifelong learning: Number of beneficiaries by type 2007 - 2014

Lifelong learning																							
Year	Budget & Tax update		Compliance & Legislation		Assessor & Moderator		Soft Skills		Management & Leadership		Change & Diversity		Global Trends		SDF		Recruitment & Selection		Other		Total		
	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%	
Unknown					241	4	1 560	57	942	34						0						2 743	100
2007	3 264	53	858	9			1 422	23	436	7					177	3			17			6 174	100
2008	3 388	36	2 512	20	168	1	2 057	22	746	8					158	2	363	4				9 392	100
2009	4 379	35	1 600	16	46		1 425	11	1 454	12	355	3	968	8	204	2			2 060	16		12 491	100
2010	4 079	40	2 015	17	78	1	1 824	18	1 397	14	350	3			202	2			355	3		10 300	100
2011	4 599	38	3 577	23			1 905	16	530	4			635	5	285	2	376	3	85	1		11 992	100
2012	5 257	34	2 189	22			5 144	33	1 851	12			636	4		0			333	2		15 410	100
2013			2 639	10					5 937	61	1 073	11				0			131	1		9 780	100
2014	10 434	39	2 211	2			10 296	39	917	3						0			2 600	10		26 458	100
Total	35 401	34	17 603	17	536	1	25 637	24	14 215	14	1 784	2	2 246	2	1 034	1	748	1	5 591	5	104 795	100	

Source: Fasset database, 2015.

Table 4.4.4-2 Lifelong learning: Percentage of beneficiaries by race and gender 2007 - 2014

Year	African		Coloured		Indian		White		Total
	Female	Male	Female	Male	Female	Male	Female	Male	
	%	%	%	%	%	%	%	%	
2007	7	6	4	2	6	7	34	34	100
2008	9	7	4	3	6	6	35	30	100
2009	10	7	6	3	6	6	34	28	100
2010	11	7	6	3	6	5	35	26	100
2011	10	6	6	3	6	6	36	27	100
2012	13	9	7	3	6	5	32	24	100
2013	16	11	8	4	6	4	31	20	100
2014	20	10	6	3	6	4	31	20	100
Unknown	23	15	11	4	4	3	25	15	100
Total	14	9	6	3	6	5	33	25	100

Source: Fasset database, 2015.

4.4.5 Conclusions

Grade 12 Mathematics is a prerequisite for tertiary studies in most of the study fields relevant to the sector. The number of matriculants who wrote Grade 12 Mathematics dropped substantially in 2010 and 2011 but picked up again in 2012 and 2013. The number who achieved 40% or more for Mathematics increased from 91 796 in 2008 to 97 790 in 2013. This increase is relatively small if the number of study fields that draw from this pool of matriculants is considered. Although accounting as matric subject is not a prerequisite for studies in accounting at tertiary level, candidates with this subject feed into occupations such as bookkeepers and accounting clerks. The number of learners who passed Accounting with 40% or more remained more stable between 55 000 and 60 000 per year over the period under review.

Statistics on under-graduate and post-graduate qualifications in the broad study fields “Accounting” and “Other business and commerce” are presented in this chapter as these are the two fields from which the core of workforce in the Fasset sector are drawn. National diplomas and four-year first degrees (BTech degrees) reflect the output of universities of technology. The number of graduates who qualified with these qualifications in accounting did not increase significantly over the review period. However, strong growth occurred in the other business and commerce field. The number of graduates with first three-year degrees in accounting doubled between 2001 and 2014 mainly because of an inflow of African graduates. Strong growth was also seen in the other business and commerce field. In both fields the gender representation also changed from an equal male-female distribution to a situation where the female graduates outnumber their male counterparts by a large margin.

The situation with regard to post graduate diplomas and honours degrees looks somewhat different from the situation described above. Growth in output from the universities was lower than that of first degrees. There was a gradual decline in the number of white candidates who qualified and a gradual increase in the number of Black graduates. By 2014 Black graduates outnumbered whites, but not to the same extent as at first degree level.

From 2001 to 2014 far more masters' and doctoral degrees were completed in the study field other business and commerce than in accounting.

The chapter includes an analysis of student output through the learning pathway that leads to the CA(SA) designation. This is the most sought-after designation in the sector and there is a notorious short supply of black CA(SA)s not only in Fasset's sector, but also in the rest of the country. The CA(SA) designation also forms part of the learning pathway towards the Registered Auditor (RA) designation – another key occupation in the sector.

The completion of a SAICA-accredited postgraduate Theory of Accounting (CTA) programme or equivalent on NQF level 8 is needed for access to the first of two qualifying SAICA examinations. Less than half of the candidates, who enrolled for the CTA in any year successfully completed the qualification. From 2002 to 2014, the number of enrolments decreased annually by 1% but the total pass rate increased from 34% to 42%. Fewer coloureds, Indians and whites sat for the exam in 2014 than in 2002.

An increase in the number of enrolments and passes for SAICA's Part I and Part II exam was found. The Part II exam shows much higher and stable pass rates than the Part I exam. The number of African, coloured and Indian enrolments and passes of the Part I exam increased, while the number of white enrolments and passes decreased or remained the same. The pass rate of whites was the highest for both exams. Female passes exceeded male passes for the first time in 2013.

Since 2001, the majority of all completed Fasset learnerships were for the Chartered Accountant: Auditing (NQF level 7), which is administered by SAICA. Of the total enrolments for Fasset learnerships from 2001 to 2014, 59% were completed.

All in all, from 2001 to 2014, the completion rate for the Chartered Accountant: Auditing learnership was 73%. Indian males and females and white males had the highest completion rates. The number of black enrolments increased annually by 1 % from 2002 to 2014 and the number of Black completions by 9%.

Fasset's lifelong learning training events are skills development initiatives to assist smaller employers in the sector to keep up-to-date with sector developments. Fasset offered 104 795 learning opportunities to people in the financial sector from 2007 to 2014. Most of these were for budget and tax updates and for training in soft skills. Of the beneficiaries who participated in the lifelong learning programmes from 2007 to 2014, 23% were Africans, 9% coloureds, 11% Indians and 58% whites. Fifty-nine per cent of beneficiaries of life-long learning were female.

5. SCARCE SKILLS

5.1 Introduction

One of the key responsibilities of the SETAs is to monitor skills shortages – also referred to as “scarce skills”- in their respective sectors and to intervene through the available grants and through special projects to alleviate the skills shortages. In the South African context the term scarce skills is generally used to refer to occupations in which a scarcity of qualified and experienced people is experienced. A distinction is also made between “absolute scarcity” which is a situation where people with the required skills are not available in the local labour market and “relative scarcity” where people with the required skills are available, but they don’t meet other employment criteria or are not available in a particular geographical area.

The detection and monitoring of skills shortages is not a simple process. Ideally the process should include the monitoring of a variety of labour market “signals” such as:

- Difficulties experienced by employers to retain employees in the occupation owing to external demand and competition among employers to attract scarce skills;
- Difficulties experienced by employers to recruit people into positions, which results in vacancies that remain unfilled over a prolonged period of time;
- Difficulties experienced by employers with succession planning;
- Upward pressure on remuneration; and
- A lack of spare capacity in the form of unemployed people who can fill positions in the particular occupations.

The best source of information on these signals is employers and for this reason Fasset has, since the institution of the levy-grant system, required employers to provide information on scarce skills in their Mandatory Grant applications. Implicitly Fasset required employers to “read” all the labour market signals mentioned above and then to provide an opinion on the scarcity of a particular occupation.

The identification and reporting of scarce skills by employers consisted of three components. First employers had to identify the occupations in which they experienced skills shortages. Second they had to put a numerical value to the scarce skills and third they had to provide a reason for or a further explanation of the shortage that they experienced. The numerical values that they were required to attach to the occupations changed over time because Fasset adapted the grant application formats in accordance to the DHET requirements. In the first years of the grant applications employers had to report on the number of long-term vacancies that they had in the occupations that they identified as scarce skills. Since 2014 they were asked to indicate the number of people that they “needed”. This need could be interpreted in several ways, but it is likely that employers continued to interpret it as the need to fill long-term vacancies.

When employers identify scarce skills they do so according to the occupations (the fifth level) of the OFO. The analysis presented in this chapter is limited to the period 2012 to 2015. That is the period in which the newest format of the OFO was used.

5.2 Scarce Skills Identified by Employers

Most of the shortages reported by employers in the Fasset sector were for professionals (Table 5-1). In fact, in all four years the numerical value attached to skills shortages in the occupational group professionals constituted 80% or more of the total experienced in the sector. The actual figures varied, however, and it is not possible to establish whether the situation is improving or worsening.

Table 5.2-1 Scarce skills according to OFO major group: 2012- 2015*

Year	Managers		Professionals		Technicians & Associated Professionals		Clerical support workers		Service & Sales workers		Total	
	N	%	N	%	N	%	N	%	N	%	N	%
2012	65	2	2 855	91	137	4	78	2			3 135	100
2013	38	3	1 325	90	104	7					1 467	100
2014	184	5	3 129	82	233	6	239	6	32	1	3 817	100
2015	149	5	2 260	80	232	8	146	5	24	1	2 811	100

* SARS did not report on scarce skills.

Source: Fasset database, 2015.

Table 5-2 lists the unit groups (at the fourth level of the OFO) in which skills shortages were identified. From this table it is clear that employers see the unit group Accountants as the occupational group in which the shortage of skills is the most pronounced.

Table 5.2-2 Scarce skills according to OFO unit group: 2012 - 2015

Unit Group	Description	Year			
		2012	2013	2014	2015
1211	Finance Managers	65	38	171	141
1331	Information and Communications Technology Service Managers			11	6
1346	Financial and Insurance Services Branch Managers			2	2
2121	Mathematicians, Actuaries and Statisticians	36	10	47	23
2411	Accountants	2 349	978	2 378	1 635
2412	Financial and Investment Advisors	25	148	154	73
2413	Financial Analysts	180	20	82	86
2421	Management and Organisation Analysts	167	24	157	132
2422	Policy Administration Professionals			28	26
2511	Systems Analysts		30	17	
2512	Software Developers	11	33	48	33
2514	Applications Programmers			0	
2521	Database Designers and Administrators	18	15	8	6
2522	Systems Administrators			33	36
2523	Computer Network Professionals	10	33	128	153
2529	Database and Network Professionals not Elsewhere Classified	15		6	9
2631	Economists	45	34	43	48
3311	Securities and Finance Dealers and Brokers		46	6	2
3313	Accounting Associate Professionals	117	58	99	45
3324	Trade Brokers			76	73
3341	Office Supervisors	20		51	78
3351	Customs and Border Inspectors			1	1
3354	Government Licensing Officials			0	33
4214	Debt-collectors and Related Workers			133	141
4311	Accounting and Bookkeeping Clerks	78		97	5
4313	Payroll Clerks			9	
5231	Cashiers and Ticket Clerks			32	24

Source: Fasset data system, 2015.

The ten occupations with the highest numerical values (highest number of people needed) in 2014 and 2015 are listed in Table 2-3. The occupation “accountant” includes trainee accountants. In fact, most of the employers who identified scarce skills in this occupation indicated that they were looking for trainees – not fully qualified accountants. The reason for this is that the trainee positions have become a permanent component of the post structure in most of the accounting and auditing firms. The trainees perform certain of the lower level tasks and the firms depend on them in order to handle their business volumes. The high numbers quoted don’t necessarily indicate huge shortages. Although there are some shortages, the numbers rather reflect the number of positions for first-year trainees that will open up as trainees move through the system and leave the firms where they had received training to take up employment elsewhere in the sector or outside the Fasset sector.

Table 5.2-3 Top ten scarce skills according to OFO occupation: 2014- 2015

OFO Code	OFO Description	Need 2014	Need 2015
241101	Accountant (General) (including trainee accountants)	2584	2498
241104	External Auditor	272	255
252301	Computer Network and Systems Engineer	128	153
421401	Debt Collector	133	141
121101	Finance Manager	136	111
242101	Management Consultant	132	108
241301	Financial Investment Advisor	82	86
334102	Office Administrator	47	74
241202	Investment Manager	89	29
263101	Economist	43	48

Source: Fasset data system, 2015.

The comments that employers made regarding the skills shortages that they experienced provide more insight into the nature of these shortages. Most of the employers indicated that the shortages that they experienced had to do with the demographic profiles they were looking for or with the level of specialisation or specialised skills that they needed. Private sector employers mostly indicated that they were looking for Black candidates. Interesting enough, some of the public sector employers indicated that they were specifically looking for whites – especially white men. Thus, irrespective of the population group or gender preferences that employers may have, the overall impression remains that the educational pipeline is not producing enough people – especially professionals in the accounting field.

5.3 Conclusions

The monitoring of skills shortages or scarce skills is a very important, but a complex task that all the SETAs face. The way in which Fasset has approached questions regarding scarce skills in the Mandatory Grant applications was influenced by the formats prescribed by the DHET. These prescrip-

tions changed over time and as a result the development of time series data on scarce skills was hampered.

The monitoring of scarce skills has also been hampered by the lack of detailed information on employment in the Fasset sector. Numerical information on scarce skills (e.g. The number of vacancies or the number of people needed) in a particular occupation has to be interpreted in relation to the number of people employed in that occupation. Fasset only started to collect detailed employment information (including occupational information at the fifth level of the OFO) from organisations in the sector in 2014. In 2014 and 2015 only medium and large organisations were expected to submit such detailed information. Small organisations still submitted information aggregated to the OFO major groups. This situation will change in 2016 and all organisations will submit information at this level. This will enable Fasset to do a much more in-depth analysis of scarce skills in the sector.

Despite the shortcomings in the data collection methods, the signals received through Fasset's grant applications still confirm that there are skills shortages in the field of accounting and auditing and in some other fields such as financial markets, ICT, management consulting and economics.

6. GROWTH OF THE SECTOR

6.1 Levy-paying organisations

This report clearly shows that Fasset's sector has grown steadily over the fifteen year period under review. Unfortunately it is not possible to determine how the number of organisations in the sector has grown.

Fasset started in 2000 with nearly 7 600 levy paying organisations. At that time the levy threshold was set at R250 000 per year. That means that all the organisations in the sector with a payroll of R250 000 per year or more were obliged to pay the SDL. However, in 2006 the levy threshold was increased to R500 000 and in that year the number of levy paying organisations in the sector dropped to approximately 3 200. That means that more than half of the organisations that were originally allocated to the Fasset sector were micro organisations. The levy threshold was never adjusted for inflation after 2006 and as salaries were adjusted for inflation and salary bills of organisations increased, small organisations crept back into the levy system and by 2015 Fasset again had 5 600 levy-paying organisations. This increase confirms that the sector includes a large number of very small organisations.

The rate at which these organisations grow and the number that is operational but that fall below the levy threshold, is not known.

6.2 Levy payments

The nominal value of the levy amounts received by Fasset increased from R22 million in 2000 to R328 million in 2014. The exemption of the more than 4 000 small organisations from the SDL in 2006 had no effect on Fasset's levy income. In fact, the levy income continued to increase at a steady pace through the 2005/2006 period.

6.3 Participation in the grant system

In the first few years of the levy-grant system the number of organisations that claimed Mandatory Grants increased. However, in the period 2006 to 2008 the number levelled off and from 2009 to 2014 the number dropped. Although the number and the percentage of organisations that claimed Mandatory Grants fluctuated over the years, in all the years the organisations that submitted Mandatory Grant applications paid more than 60% of the SDL. It stands to reason that these organisations employed more than 60% of the workers in the sector and that the employment information that they submitted represented 60% or more of the employees in the sector.

Over all the years only a small portion of the organisations in the sector benefitted from Discretionary Grants. One of the reasons is that the Discretionary Grants are focused on very specific needs in the sector and therefore their illegibility criteria may exclude some or many of the organisations in the

sector. It is also possible though that the Discretionary Grants are not well known and/or that employers find it to difficult and cumbersome to apply for these grants.

6.4 Sector employment

Estimates of total sector employment increased from 82 811 in 2001 to 140 963 in 2015. Growth of the sector was steady over the total time period, except for 2012 when employment dropped. The reason for the decline in that particular year is not clear. It happened just more than two years after the recession. One possible explanation is that Fasset's sector doesn't react immediately to an economic downturn. In an economic recession many organisations go under, but their need for financial services doesn't stop immediately. Financial services continue while organisations wind down and insolvencies are handled. It is only afterwards that the financial services contract. There is no empirical evidence that this is the case and there may be other reasons for the drop in employment in 2012.

6.5 Transformation of the Sector

Though all the years, transformation has been an important objective for the sector and for Fasset. Transformation had to take place while the sector was growing at a substantial pace. On the one hand the growth of the sector facilitated transformation as it created space for the appointment of Black people in new positions. On the other hand the sector was left with the challenge of ensuring that the skills development pipeline produced enough Black professionals to meet the transformation targets and to meet the growing demand of the sector.

Over the fifteen year period the sector made great strides towards transformation. While 60% of employees in the sector were white in 2001, whites' share of employment decreased to 39% in 2015. Whites' share in managerial positions decreased from 82% to 57% in 2015. Among professionals, the profile transformed from 72% white in 2001 to 45% white in 2015. African females are the group with the largest increase in the sector and African female employment in the sector grew annually by 6%.

Women were already in the majority in 2001. At that time they formed 54% of all the employees in the sector. By 2015 this figure had increased to 57%.

6.6 The Skills Pipeline

Chapter 4 of this report looks at the supply-side of the labour market in so far as it influences the Fasset sector. As the sector employs large numbers of professionals and places a high value on professional body membership, the skills pipeline that needs to be monitored and influenced through various interventions is quite long. Fasset's monitoring of the skills pipeline starts at the National Senior Certificate level. Matric passes with Mathematics as subject is of critical importance to the sector because it is a prerequisite for tertiary studies in most of the study fields that feed into the sector. The figures presented in this report clearly reveal that this poses a challenge. The number of passes fluctuated in recent years and there is no discernible upward trend.

Despite this the number of people who graduated from universities with first degrees in accounting grew steadily over time. However, this growth doesn't continue at post graduate level. In the learning pathway towards the CA(SA) designation the CTA still poses a particular challenge – despite some improvements that occurred over the last ten years.

The progression of candidates (especially Black African candidates) through the pathway towards full professional status also remains a challenge.

6.7 Challenges Experienced in the Analysis of Trends

The biggest challenge experienced in the development of trends over a wide variety of variables was caused by changes in classification systems that occurred over the fifteen year time period. The changes include:

- The main groups of the OFO
- The levels of the NQF
- The CESM categories used by HEMIS.

The time series data was also influenced by changes in the SDL threshold, the grant system and in the way in which questions were asked in the Mandatory Grant applications.

Despite these challenges this report provides an extensive overview of developments and changes in the Fasset sector.

7. WAY FORWARD

Fasset has, since its inception in 2000, developed an electronic data system and has captured large amounts of information obtained through its different grant application and payment processes in this system. The SETA has also commissioned the systematic analysis of this information on an annual basis. This trends report is the first of its kind and it replaces the annual grant analysis report. In the preparation of this report the raw data was revisited, to some extent standardised and where possible presented in time-series format. While the previous analysis reports were limited to information from Fasset's system itself, this report includes time series data from various other sources such as the DHET's HEMIS and information submitted to Fasset or made available to Fasset by professional bodies in the sector. The main purpose of this report is to inform the skills planning processes of the SETA and other organisations in the sector. This report will also serve as an important input document for Fasset's Sector Skills Plan.

ANNEXURE A

WEIGHTING OF MANDATORY GRANT APPLICATION DATA

The information that employers annually submit to Fasset in their Mandatory Grant applications is the only information that deals specifically with this sector. In order to compensate for variations in submission rates, the data received in every grant scheme year was weighted to a sectoral total. This was done by using the levy amount paid as a proxy for employment. Weighting was done separately for each of the subsectors, because of wage differentials that occur between subsectors. (Wage differentials are reflected in the SDL employment ratios of the different subsectors.)

In each of the subsectors the weights applied were calculated as follows:

- Weight = Levy amount paid (all organisations)/levy amount paid (organisations – WSPs approved).
- Estimated employment = (Weight * WSP employment)
- As an example, the calculations for 2014 are shown in the table below.

Weighted employment: 2014

	Column A	Column B	Column C	Column D	Column E
			A/B		C*D
Subsector	Total levy amount	Levy amount WSPs	Weight	WSP employment	Estimated employment
Investment Entities and Trusts and Company Secretarial Services	R46 835 222.70	R23 955 711.65	2.16	5 997	12 924
Stockbroking and Financial Markets	R67 103 607.75	R47 525 785.11	1.61	10 771	17 362
Development Organisations	R9 341 076.52	R7 661 690.78	1.42	1 588	2 254
Accounting, Bookkeeping, Auditing and Tax Services	R99 128 299.81	R72 690 850.61	1.56	35 387	55 335
Activities Auxiliary to Financial Intermediation	R23 898 919.36	R18 640 638.22	1.48	8 232	12 201
Business and Management Consulting Services	R81 362 989.36	R50 462 343.51	1.81	12 965	23 497
SARS and Government Departments	R0.00	R0.00	1.00	17 391	17 391
Total	R327 670 115.50	R220 937 019.88		92 331	140 963