

THE IMPACT OF THE NATIONAL SKILLS FUND ON JOB CREATION (NORTH WEST PROVINCE)

BY

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the degree of Master of Business Administration at the Graduate School of
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Mafikeng Campus of the North-West University**

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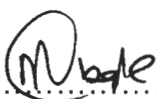


DECLARATION

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ABSTRACT

The South African economic deficiency is reflected in the low levels of skills in an environment that is increasingly experiencing a major change in the workplace and in response to this deficiency of skills in the labour force the Skills Development Act (Act No. 97 of 1998) and the Skills Development Levies Act (Act No. 9 of 1999) were promulgated by government to address this situation. The National Skills Fund (NSF) is one of the institutions that were established by the Skills Development Act to achieve the redress, and it is seen as a source of funds for many different priorities including the training of the unemployed persons training in developmental projects and funding training within the Provincial Growth and Development Strategies and Municipal Integrated Development Plans.

In spite of the legislation and NSF training interventions by the Department of Labour (DoL), the rate of unemployment is stills unacceptably high in the North West Province. The purpose of the study was to investigate the National Skills Fund impact on job creation and self-employment in the Province. The National Skills Development Strategy was the springboard for the study.

Questionnaires were administered to 95 stakeholders involved with skills development issues, and these comprised of unemployed trainees in community projects, unemployed workseekers registered on the DoL database, Training Providers, DoL Employment and Skills Development Services Staff, Provincial Government Departments and Non-Governmental Organisations in order to get their views on the National Skills Fund interventions.

Policy documents, other authors and published materials were consulted with regard to skills development. The findings of the research that focused mainly in the North West Province showed successes and challenges of the initiatives. The study concludes by making recommendations that could improve implementation and administration of the National Skills Fund, and for it to have a maximum impact on job creation and self-employment.

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1. Appendix A: Questionnaires

ABBREVIATIONS

ABBREVIATION	EXPLANATION
ABET	Adult Basic Education and Training
AGRISETA	Agricultural Sector Training Authority
AIDS	Acquired Immune Deficiency Syndrome
ARM	Area Managers
ASGISA	Accelerated and Growth Initiative of South Africa
BBBEE	Broad Based Economic Empowerment
BS	Beneficiary Services
BUM	Business Unit Manager
CBD's	Central Business Districts
CETA	Construction Education and Training Authority
CGP	Gross Geographic Product
DA	Disbursement Agent
DoL	Department of labour
DTI	Department of Trade and Industry
EPWP	Expanded Public Works Programme
ES	Employment Services
ESDS	Employment and Skills Development Services
ESP	Employment and Skills Practitioners
ESSA	Employment Service of South Africa
GDP	Gross Domestic Product
GOVT	Government
HIV	Human Immune Virus
HRD	Human Resources Development
HRDS	Human Resources Development Strategy
IDPs	Integrated Development Plans
IES	Inspection and Enforcement Service
ISRDP	Integrated Sustainable Rural Development Plans
ISSETT	Information Systems Electronics, Telecommunication and Technology
IT	Information Technology
ITB's	Industry Training Boards
JIPSA	Joint Initiative on Priority Skills Acquisitions
Kra's	Key Result Areas
LC's	Labour Centres
LIMS & P	Labour Market Information Statistics and Planning
MANDAB	Manpower Development Authority of Bophuthatswana
MERSETA	Manufacturing and Engineering Sector Training Authority
MOLSS	Ministry of Labour and Social Security
MoU	Memorandum of Understanding
MPCCS	Multipurpose Community Centres

ABBREVIATIONS CONTINUED

ABBREVIATION	EXPLANATION
NPI	National Productivity Institute
NSF	National Skills fund
NSFDIS	National Skills fund Disbursement Information System
NTB'S	National Training Boards
NWEDIS	North West Economic and Industrialisation Plan
PEM	Provincia Executive Manager
PGDS	Provincial Growth and Development Strategy
PIP	Provincial Implementation Plan
PO	Provincial Office
PSC	Provincial Selection Committee
PSDF	Provincial Skills Development Forum
PSP	Provincial Skills Plan
PTP	Provincial Training Plans
RDP	Reconstruction and Development Programme
RDSCs	Regional Development and Skills Committees
RM	Regional Managers
RSP	Regional Skills Plans
SANDF	South African National Defence Force
SAPS	South African Police Service
SAQA	South African Qualification Authority
SARS	South African Revenue Service
SDA	Skills Development Act
SDF	Skills Development Facilitator
SDFW	Skills Development Funding Window
SDLA	Skills Development Levies Act
SDPU	Skills Development Planning Unit
SETAS	Sector Education and Training Authorities
SMME's	Small and Medium Micro Enterprises
SQMR	Service Delivery Quarterly Monitoring Report
TUP	Training of the Unemployed Persons
UYS	Umsobomvu Youth Fund
WSP	Work place Skills Plans

CHAPTER 1

OVERVIEW OF THE STUDY

1. INTRODUCTION

This study was undertaken to investigate the impact of the National Skills Fund's training interventions by the Department of Labour (DoL) on job creation and unemployment reduction in the North West Province. The study identified the current literature on job creation and skills development on the unemployed and underemployed, and provides an assessment on what the North West Labour Department and its social partners (i.e. other government departments, Non-Governmental Organizations (NGOs), and business, among others) are currently doing in addressing the issues of unemployment and job creation in the Province. It specifically evaluated the successes of the National Skills Fund in achieving the goals of job creation and skills development. The study also focused on the North West labour market's needs and demands.

2. CAUSES OF UNEMPLOYMENT

One of the principal causes of South Africa's economic deficiency is the low level of skills in an environment that is increasingly experiencing a major change in the workplace, while relying on methods that require more skills. The South African unemployment rate is currently sitting at 25, 5 percent compared to 25, 6 percent in 2006 (Statistics South Africa, Labour Force Survey, 2007: IV).

The skills profile of South African workers does not match the current or future markets' needs and consequently contributes to poor performance, low levels of investment and a low level of total factor productivity in the economy. For the economy to grow in a way that really improves the lives of people new jobs should be created and skills required by high growth economic sectors should also be developed.

2.1 Supply and demand of labour

Unemployment is a function of supply and demand in the labour market. There is currently an over-supply and thus unemployment of unskilled labour, as compared to under-supply of skilled labour. The challenge that accounts for constantly high levels of unemployment is the disjuncture between education and training interventions and the skills needs of the economy. Currently there are a lot of people with skills in humanities for example BA graduates. These people lack high-tech skills required by the 13 Accelerated Shared Growth Initiative for South Africa (ASGISA), high growth economic sectors, and are therefore unable to be absorbed by the economy (Accelerated Shared Growth Initiative for South Africa, 2006).

In support of the statement above, the country is facing shortage of skills in high- tech and vocational skills such as management, Information Technology (IT), engineering, chemicals, welding and boiler making, and there is over-supply of skills in the clothing and farming sectors where it is cheap to create jobs. Many managers of companies have MBA degrees or are chartered accountants, but lack requisite support from the next tier of employees.

The statement above is supported by Barogwa Consulting (2006: p29) when they alluded to the fact that a few technical people are needed to back up professionals. For example, an engineer with a university degree in Europe is usually backed up by six technicians whilst in South Africa the rate is one engineer to one technician.

The workers in South Africa lack skills compared to those in more developed countries. This problem should be addressed through training to upgrade the skills of the existing workforce to become internationally competitive. In Australia for example, the government's national strategy for vocational education and training for 1998 to 2003, clearly demonstrates the importance progressive countries attach to education and training. The Australians believe that forces arising from complex economic, technological, and social changes will influence the education and training environment and therefore have to be catered for in their vocational education and training strategy. The approach of the Australian government is indicative of many

industrial or newly industrialised countries that address the challenge of skills development from a strategic management point of view. South Africa can incorporate, to beef up its strategies, such practices to meet its quest to compete internationally and to introduce greater social equity (Van Dyk, 2001: 5).

2.2. Employment decline in the formal sector

The South African formal economy is changing, so that the primary sectors are not so important anymore in generating income for the economy. The economic sectors are made up of the primary sector that focuses on agricultural activities, including husbandry, cereal production, mining and fishing. The secondary sector focuses on processing, manufacturing, construction, transport and communications. The tertiary sector involves services, distribution, hotels, restaurants, finance, banking, insurance, property, public administration, health and education (MacGrath, Badroodien, Kraak & Unwin, and 2004: 45).

The formal economy is unable to provide sufficient work opportunities and this is made worse by the effects of globalisation. Formal employment has declined, particularly for unskilled and semi-skilled workers in the primary sector where there have been large scale job losses. Primary and secondary sectors are shrinking and they have traditionally employed large numbers of people in the general worker occupational theory (Department of Labour: ESDS Operations Manual, 2002: 24-25).

2.3 Globalization

The world economy finds itself on a rapid path of globalisation. The New World economic environment is changing the structure of labour market by increasing the level of competitiveness and thereby creating a need for improved productivity and a more flexible workforce. Changes brought by globalization have altered the work environment so that there are new organisations in industry and new ways of working. Globalisation links the economies of the countries of the world in a competing trading framework. For the country to succeed in the international environment, it needs to have a skilled and adaptable labour force. Globalisation places an increased

importance on education and training, because of the need for increasing levels of competence required across the workforce, for improved competitiveness and efficiency (Van Dyk, 2001: 5).

2.4 Technological changes

Technological development and dramatic changes in access to information have led to a demand for higher level skills. Because of the current situation in the formal economy, there is a growing dependence on the informal sector to generate income (Department of Labour Minister's Fifteen Point programme of Action, 1999-2004).

Erasmus and van Dyk (2001: 13) argue that South Africa has sufficient unskilled labour, energy and material resources at its disposal, while there is a shortage of capital and trained workers in technology. Technology enables people, among other things, to see further, drive faster, hear better and communicate over distances that would be possible in their natural state. As we are entering the 21st century, we can expect to experience even more dramatic changes in the way we live and work, as a result of the impact and speed of development of new technologies. Technological innovation increases the importance of training because the new entrants into the labour market are trained, but technological change also necessitates continuous retraining.

2.5 HIV/AIDS in South Africa

South Africa has one of the highest per capita HIV prevalence and infection rates in the world and the percentage of deaths that could be attributed to AIDS-related diseases increased from about nine percent in 1995/1996 to about 40 percent by 2000/2001 (Erasmus & van Dyk, 2001: 12). The impact of HIV/AIDS on the lives of South Africans in general and the workplace in particular is becoming severe. On the labour supply side, for example, a substantial percentage of the economically active population will die because of AIDS while labour demand could decline because

employers might opt for capital production in the face of anticipated productivity due to workforce losses.

Human capital realization and skills availability and shortages in South Africa will also be affected by HIV/AIDS. Although AIDS will impact more on the semi-and unskilled segments of the labour force, it is expected that the impact of AIDS on the skilled and highly skilled segment of the labour force will be substantial. In our daily lives, we hear over radios and television and through other media that companies are experiencing high turn over as a result of the pandemic, and are losing many skilled and experienced employees. Many employment institutions in South Africa such as the government, and private sector among others, are now have begun to experience the effects of HIV/AIDS on production as a result of absenteeism from the employees affected. Many deaths have been reported as a result of this illness.

HIV among the highly skilled and skilled segments will lead to much higher human capital realization rates and will exacerbate existing skills shortages (Erasmus & van Dyk, 2001: 14).

3. SKILLS DEVELOPMENT AND SMALL MEDIUM AND MICRO ENTERPRISES (SMMEs).

3.1 The impact of apartheid on Small Medium and Micro Enterprises (SMMEs).

The apartheid legacy impacted on small medium and micro enterprises (SMMEs) in a number of unique ways, resulting in South Africans having very few SMMEs as compared to economies around the world. The economic structures made it difficult for anyone to set up a small or medium-sized business. Black entrepreneurs were denied access to the central business districts (CBD's). Most people, especially blacks did not have access to proper education and other infrastructural resources which limited the establishment of SMMEs. Even today, SMMEs find it difficult to access finance, markets or technology, this constrains their development (Department of Labour: ESDS Operations Manual, 2002: 13-14).

3.2 Inequality versus equality in the South African labour market.

One of the major factors that enables and supports the country's performance is the quality of the workforce. Employment creation is the biggest challenge facing government. But at the heart of the challenge to South Africa's labour market is the need to deal with issues of inequality still prevalent in the labour market and to develop the skills necessary for economic development. This statement was emphasised and alluded to by President Thabo Mbeki in his opening of parliament speech on the 8th February 2002 when he said: "...the struggle to eradicate poverty, inequality and underemployment is fundamental to the achievement of our national goal of building a caring and people centred society" (www.gov.za: 09/03/2005).

Under the apartheid system, the full potential of only a small part of the population was developed; leading to new government had inherited a white and male dominated management sector. A vast majority of the unskilled and the unemployed are women and youth. This means that because women were marginalised in the economy, and will remain the poorest of the poor if not developed. The situation is still prevalent even today, and the South African government should enforce that the Constitution be adhered to on equal rights on opportunities and that the Employment Equity Act objectives are implemented at workplaces.

4. THE ROLE OF THE DEPARTMENT OF LABOUR IN ADDRESSING THE ISSUE OF UNEMPLOYMENT.

4.1 The role of the Department of Labour as the key South African government institution on unemployment and job creation.

The Department of Labour's particular contribution to this challenge of addressing the issue of unemployment rests in the formulation of effective and active labour market policies, as well on providing a supporting and enabling environment for jobs to be created.

In response to this deficiency of skills in the labour force, the Skills Development Act (Act No. 97 of 1998) (SDA) and the Skills Development Levies Act (Act No. 9 of 1999) (SDLA) were promulgated by government in trying to address this situation.

In this study the impact of the National Skills Fund training interventions by the Department of Labour on the unemployed and underemployed to access job opportunities in the North West Province was therefore be examined.

4.2 The origins of the National Skills Fund.

The Skills Development Act (SDA) and Skills Development Levies Act (SDLA) established a levy grant system and the National Skills Fund (NSF) to fund the areas of national skills priorities. The levy grant disbursement scheme (LGDS) is a mechanism by which employers are obliged to pay a skills development levy to the South African Revenue Service (SARS). Eighty percent of the funds allocated through levies is divided between the Sector Education and Training Authorities (SETAs) to be used for grants to employers. The remaining 20 percent goes to the NSF to fund areas of national skills priorities. Donors also put money into the fund with the aim of reducing unemployment and underemployment through social development (Skills Development Act of 1998 and Skills Development Levies Act of 1999).

The Social Development Funding window (SDFW) of the National Skills Fund (NSF) has been set up to fund the programmes under this category. Thirty Seven percent of the money in the NSF goes to the Social Development Funding Window that is currently allocated and disbursed through the Provincial Offices (PO) of the Department of Labour. The funds are allocated according to the needs and demands as spelled out in the Provincial Implementation Plans (PIP). The funds also got and to social development projects designed to assist beneficiaries such as the unemployed and underemployed including women, youth, people with disabilities and other designated groups. The money can also be allocated to learnerships which have been registered by a SETA with DoL. the skills programmes should contribute towards a qualification registered in terms of the National Qualifications Framework (NQF) or it

can be allocated to learning programmes with short courses which have been registered with DoL and not registered with SAQA but should address high priority skills development or social needs.

Money can be allocated to learning programmes if 70 percent of the people trained can be placed after the training. Placement is defined as meaning that within two months of the training being completed, the learners must be employed in the formal sector, self-employed, working in a social development project or have a learnership agreement with an employer (Department of Labour: ESDS Operations Manual, 2002: 1).

5. PROBLEM STATEMENT

5.1 Main problems

In spite of the legislation and the training interventions by DoL, the rate of unemployment and underemployment is still unacceptably high in the North West Province; at present it is at 32.0 percent (Statistics South Africa, Labour Force Survey, 2007: XV).

5.2 The following are some of the sub problems

- 5.2.1 The DoL is unable to measure the exact impact of the National Skills Fund training interventions on job creation and self-employment.
- 5.2.2 There is no clear picture of how many trainees emerging from training programmes are employed or self-employed.
- 5.2.3 The DoL cannot determine whether the training offered is according to the North West Labour Market's needs.
- 5.2.4 The DoL cannot determine whether the certificates offered to trainees by accredited Training Providers are aligned to the NQF or SAQA requirements.

6. HYPOTHESES

Based upon the problems mentioned above, It may be hypothesised that:

- 6.1 There has not been a significant change/impact brought by the National Skills fund training interventions in addressing the unemployment rate or creating job and self-employment in the Province.
- 6.2 The statistics by the DoL and Training Providers on the unemployed people trained through the NSF do not depict actual number of placements both in the formal and informal sectors.
- 6.3 The main causes of unemployment in the Province could result from the premise that the skills provided are not according to the North West Province labour market needs.
- 6.4 Some of the Certificates offered to the trainees after completion of training are not nationally recognised as they do not comply with SAQA requirements; hence there is a decline in placement of trainees for these certificates.
- 6.5 There is Insufficient support from other stakeholders (e.g. other Government Departments, NGO's, etc.) to finance the trainees to kick start their own businesses diminish chances of SMME development.
- 6.6 Lack of co-ordination of efforts and activities on the issues of Skills Development between different Provincial Government Departments result in duplication of efforts and no return in the investment of training and development.

7. THE OBJECTIVES OF THE STUDY

Based upon all the hypotheses, this study was undertaken to justify and to determine whether the skills acquired through the NSF training impact on job creation and improve the livelihoods of the people living in the North West Province.

Other areas of consideration were:

- 7.1 To determine the successes of the National Skills Development Strategy.
- 7.2 To obtain information on whether the training offered resulted in placement opportunities and lead people to access income-generating opportunities (both employment and self-employment).
- 7.3 To evaluate whether the skills transferred are according to the labour market needs of the Province as identified in the Provincial Implementation Plan (PIP), and Provincial Growth and Development Strategy (PGDS).
- 7.4 To assess whether the credits obtained through the training programmes lead to a qualification that complies with SAQA, NQF and SETA requirements.

8. SIGNIFICANCE OF THE STUDY

The value of this study lies in evaluating whether initiatives taken by DoL through the NSF address the training needs and resulted in job creation in the province.

Another aim is to improve the processes when administering the NSF to have a direct impact on job creation and self employment opportunities. In addition, this study will provide recommendations for encouraging profitable investment in training and development while also addressing the skills gaps.

9. LIMITATIONS OF THE STUDY

The focus of the study will however, be the North West Province, with particular emphasis on the Provincial Office of the Department of Labour and its Regional Offices. Thus the result of the study cannot be generalised to other Provinces as the status in the North West and approaches to skills development is different.

10. RESEARCH DESIGN

10.1 Approach and Method

Both the quantitative and qualitative approaches were used in this study. “These two approaches are similar in that they add to the body of knowledge and truth” (Marcoux, 2002: 50).

The method used in this research was exploratory. Saunders, Lewis and Thornhill (2000: 478) define “exploratory research as the type of a research that aims to seek new insights into the phenomena”. The research looked for patterns, ideas or hypotheses, rather than testing or confirming a hypothesis. The researcher saw it feasible to use this method as there was a need to know about the impact of the National Skills Fund on job creation in the North West Province because little is known about its effects and no research was ever undertaken by DoL Provincial Office to address the issue at hand.

A survey alternative was undertaken in the research. “A survey is the collection of information on a wide range of cases, each case being investigated only on a particular aspect under consideration” (Bless & Higson-Smith, 1995:43). This method assisted in stating the features of skills development in the Province.

10.2 The organisation

10.2.1 The North West Provincial Department of Labour

The organisation under study is the Provincial Department of Labour North West Province, that accounts to the National Department of Labour and its 10 Regional Offices or Labour Centres (LC's). These LC's cut across the whole Province, and they are based in the towns of Mafikeng, Brits, Christiana, Lichtenburg, Mogwase, Klerksdorp, Potchefstroom, Rustenburg, Taung and Vryburg.

10.2.2 The Provincial Structure of the Department of Labour

The Provincial operations of the Department of Labour are structured into the following business units:

- Integrated Inspection and Enforcement Services (IES).
- Beneficiary Services (BS).
- Management Support Services (MSS).
- Labour Market Information and Statistics Services (LMIS).
- Employment and Skills Development Services (ESDS).

Important to the purpose of this study was the Provincial Office Business Unit: Employment and Skills Development Services (ESDS) which main objective is to ensure that the NSDS is effectively implemented at the local level.

10.3. The population

‘A population – sometimes referred to as a ‘target population’ is the set of elements that the research focuses upon and to which the results obtained by testing the sample should be generalized’ (Bless & Higson-Smith, 1995:87).

The sample was drawn from the population which comprise of all unemployed trainees on the DoL database, all unemployed workseekers who are registered on the DoL database, all Training Providers, all DoL ESDS officials based at the Provincial Office, Employment and Skills Practitioners (ESP 2's) based at the Labour Centres, all SETAs, all Business organisations, all NGOs and all officials from Provincial Government Departments who are dealing with, and are directly involved with skills development within the North West Province.

10.4 The sampling technique

The proportional stratified sampling was found to be the appropriate technique for the study. This sampling method allowed for any minority group to be well represented. The strategy is that the groups under study are judged to be typical of the population under investigation (Bless & Higson-Smith, 1995:89). No strata of the population were excluded.

10.5 The sample

Saunders et al (2003, p489) refer to a sample as “a sub-group or part of a larger group”. People from different groups were chosen at random. This gave every member of the population a chance of being selected and large enough to satisfy the needs of the investigation being undertaken. The sample comprised of 95 respondents from the groups mentioned in 10.2.

10.6 Data collection methods

The primary data was collected by both self-administered questionnaires and structured interviews. The self-administered questionnaire is a tool of survey research. The self-administered questionnaire (sometimes referred to as a self-completion questionnaire) was completed by respondents independently and typically consists of primary or forced choice questions (Rieber, 2003: 1).

Structured interviews are survey techniques that use a standard questionnaire administered to each person in the interview pool. The use of the same questions allows for cross-tabulation of the answers (www.mc2consulting.com).

The secondary data was obtained from the policy documents from various public and private sector institutions. Journals, internet websites, books, major newspapers, and government publications that address job creation and job skills were also examined.

Statistics on unemployed people trained and on the money spent on training in the North West Province during and the prior to 2000 and to date was obtained from the National Skills Fund Disbursement Information System (NSFDIS) of the Department of Labour

10.7 Techniques of data analysis

Descriptive statistics was used. Computer programmes such as spread sheets will be used to analyze the data in the form of graphs and tables. Assistance was also sought from the LMIS business unit within the Provincial Office of the Department of Labour to assist the researcher during the analysis and providing statistics on the recent training trends.

11. CONCLUSION

The unemployment situation in the Province at 32.0 percent remains unacceptably high (Statistics South Africa, Labour Force Survey, 2007: XV). It is for this reason that the study was undertaken to measure the impact of the training interventions funded by DoL in partnership with other stakeholders whether they do reduce unemployment in the Province. As one will be deliberating and reviewing the literature on the subject at hand, it should be noted that funding of skills training was not the beginning. A lot of work has already been done to promote skills development in South Africa.

The literature review (chapter 2) consisted of research from contemporary relevant literature on the country's economic development success and barriers to success on job creation and the development of skills. In addition, examples of "best practices" were also cited as means of informing the development of recommendations at the end of the study.

CHAPTER 2

LITERATURE REVIEW

1. INTRODUCTION

The chapter will review the literature based on the National Skills Fund and the actual interventions by the Provincial Office of the Department of Labour on job creation and self-employment. In this chapter, training trends by DoL North West Provincial Office prior to 2000 and to date was analysed. Other authors, journals, internet websites, documents on job creations will form part of the reference and comparative studies on the practices by other developing countries on job creation will be referred to.

The second economy is a relatively recent term that had started to be used extensively in national policy discourse. It is essentially a metaphor, or a way of describing the dualism that had long existed in the South African economy. It is addressing what Todaro (1977) calls dualism and what Mhone (2000) calls the enclave economy. Both authors put emphasis on the legacy of colonialism on the structure of the economies in Africa. The formal or “superior” sector has its capital flows and internal markets, where prices goods and labour are determined according to supply and demand. Then there is a sector of the economy that is “inferior” and where large numbers of unemployed and underemployed workers are located and these people are unable to find employment in the formal sector but need to survive. This inferior sector is the informal sector that needs to be exploited for the majority of people to benefit and to be self-reliant. The formal sector is gradually declining and does not provide for more jobs in South Africa (Department of Labour: Briefing Paper for NSA-Second economy, 2007: 5).

A brief historical background of the North West Province lays the foundation for discussing government initiatives on skills development. Other policies such as the Human Resources Strategy, the Skills Development and the Skills Development Levies Acts, other related documents and other authors for the development of skills in addressing the issues of unemployment form the springboard for the study. The study

focused on the contributions, successes and challenges on the initiatives made by the Department of Labour in partnership with other stakeholders on the subject at hand.

2. HISTORICAL BACKGROUND OF THE PROVINCE.

The North West Province is a medium-sized province in comparison to the other eight in the country. It shares borders with the provinces of Limpopo, Northern Cape, and Gauteng. It is 129 876 km² in size which makes (9.5% of the area of South Africa). The province is divided into four district municipalities, namely Bojanala, Bophirima, Central and Southern districts. The population of the province numbers 3 669 349 which is 8, 2 percent of the total South African population. The capital city is Mafikeng. The province is mostly rural, with about 60 percent of the population living in the rural areas. Compared to other provinces, the North West province ranks as the second highest in South Africa in respect of its proportion of the rural population. The majority which constitutes 65.4 percent of the population identifies Setswana as their language. Smaller groups include Afrikaans, Sesotho, and IsiXhosa speaking people. English is spoken primarily as a second language (Naude, 2003:4).

3. THE STRUCTURE OF THE NORTH WEST ECONOMY.

The North West economy is predominantly resource based; it is derived from a variety of sectors, of which mining and agriculture are the main contributors. According to the 2002 figures, the dominant sectors in the provincial economy were mining, that generated more than half of the Province's gross domestic product and provided jobs for a 31 percent quarter of its workforce. It was followed by Government Services at 22 percent, Trade at 13 percent, and lastly the manufacturing at nine percent.

Although agriculture contributes only eight percent of the Gross Geographic Product (GGP), it provides 15 percent of all employment in the province. Thus, agriculture *is the* third largest sector of employment in the province, after mining and Government services. The Agricultural sector covers Northern and Western parts of the province that have many sheep, cattle farms and game ranches. The Eastern and Southern parts are crop-growing regions that produce maize (corn), sunflowers, tobacco, cotton

and citrus fruit. This sector provides approximately 15 percent formal employment opportunities in the province. The rural areas are the main beneficiaries of these employment opportunities. Other important sectors include energy, construction, trade, transport and communication, manufacturing, wholesale and retail, finance, community and private households. (Mokgoro, 2003: 9).

Table 2.1: shows the North West economic sectors of the employed (15 – 65 Years).

Economic Sector	Number
Agriculture, Hunting, Forestry & Fishing	81,043
Mining and quarrying	132,071
Manufacturing	69,328
Electricity, gas and water	4,376
Construction	35,333
Wholesale and retail trade	104,755
Transport, storage and communications	26,996
Financial insurance, real estate & business services	38,569
Community, social and personal services	143,198
Private household	79,471

Source: Statistics South Africa, Stats in brief 2004

4. NORTH WEST PROVINCE UNEMPLOYMENT RATE, POVERTY AND HUMAN RESOURCES DEVELOPMENT.

The major economic development challenges that confront the Province are those of unemployment and low incomes, which in turn result in poverty, destitution and low human development. A distinction will be made between the terms unemployment, underemployment and employment and how they relate to the study.

4.1 Unemployment, Underemployment and Employment.

4.1.1 Unemployment.

Unemployment levels in South Africa are related to high population growth, low economic growth and the declining number of production processes that require labour (Erasmus & van Dyk, 2001: 8).

The official and the expanded definitions of the unemployment rate used by Statistics South Africa state that 'the unemployed are those people within the economically active population who (1) did not work during the seven days prior to the interview (2) want to work and are available to start work within a week of the interview, and (3) have taken active steps to look for work or to start some form of self employment in the four weeks prior to the interview. The expanded definition of the unemployment rate exclude criterion (3)'. Another definition further states that unemployment refers to 'all people 15 years and older, and who are without work (not in employment), and those that are currently available for work, and are seeking work or wanting work" (Erasmus & van Dyk, 2001: 8).

This paper aligns itself with the second definition as it seeks to measure the impact of training interventions funded through the National Skills Fund in the Province.

4.1.2 Underemployment

Underemployed means those people who have skills or have prior knowledge but are not competent enough to produce quality products and efficient services (O'Higgins, 2001:17).

4.1.3 Employment

Employment may be defined as 'all persons 15 years and older who during a specified period (for example seven days) have worked for five or more hours for a wage or salary or for profit as family gain, in cash or in kind. The self employed are included as they are persons who have been temporarily absent from work but still have a formal job attachment' (Erasmus & van Dyk, 2001: 8).

In the North West Province a number of the unemployed outnumber the employed. Since the formal sector is declining gradually, it does not absorb many people into formal employment, or those who have skills cannot be matched to the jobs available or required by the labour market. Self-employment opportunities are minimal as people are battling to access funding to establish their own small businesses, or lack skills on how to start their own businesses. Human development is further limited by a lack of access to basic services, education and technology. These additional constraining factors to human development exacerbate unemployment and poverty (Mokgoro, 2003: 8).

4.1.3.1 The socio-economic landscape of the North West Province.

An overview of the socio-economic landscape of the North West Province indicates that the province is challenged by a very serious situation of poverty as can be demonstrated by the following:

- Poverty which is high and on the increase;
- Unemployment which is high and increasing;
- Crime levels which are unacceptably high and increasing;
- Economic growth per capita, is decreasing;
- HIV/ Aids is on the increase;
- Gross inequalities;
- Little investment;
- Low level of literacy; and
- Neglected infrastructure maintenance and provision (Mokgoro, 2003: 9).

Low incomes are reflected in the rather depressing statistics where approximately 70 percent of households earn less than R18 000 per household per annum, with an average per capita income of R9 384 per annum. The latter level of income is the third lowest of the nine provinces (Statistics South Africa, Population Census, 2001).

The poverty among the North West population in 2000 was about 52, 7 percent. A desegregation of this figure highlights gross inequalities among races, as it comprises of 56, 7 percent of the African population in poverty 4, 6 percent of the White population, 28, 8 percent of the “Coloured” population, and 8, 8 percent of the Asian population, respectively.

Unemployment in the North West has been worsening since 1996, from 37, 8 percent to 48, 6 percent in 2001, and it is now even worse than it is for the rest of South Africa, on average (North West Provincial Govt, 2002 North West Economic and Industrialisation Plan (NWEDIS)).

Table 2.2 below shows the provincial unemployment rate. It also gives a comparison of the North West province with other Provinces.

Table 2.2: Unemployment by Province and Percentage.

Province	Percentage
Western Cape	25.5
Eastern Cape	17.2
Northern Cape	25.5
Free State	26.5
KwaZulu-Natal	26.4
North West	32.0
Gauteng	22.6
Mpumalanga	26.3
Limpopo	32.4

Source: Statistics South Africa, Labour Force Survey 2007

Table 2.2 above indicates that:

- The province with the highest unemployment rate is Limpopo 32.4 percent followed by the North West 32.0 percent, and the lowest is Western Cape 17.2 percent.
- Free State unemployment rate is at 26.5 percent, KwaZulu-Natal at 26.4 percent and Mpumalanga at 26.3 percent with not so much difference.
- The unemployment rate in the Western Cape and Northern Cape is at 25.5 percent each province.
- Gauteng province is at 22.6 percent.

Table 2.3 below shows the unemployed population of +20 years by District Council by gender.

Table 2.3: North West Unemployed population of +20 years by District Council and Gender

District Council	North West Unemployment by Gender and District Council					
	Female		Male		Total	
	Number	%	Number	%	Number	%
Central	50,808	18,6	54,902	17,7	105,710	18,1%
Bojanala	138,388	50,8	1,56,188	50,3	294,576	50,5%
Bophirima	33,366	12,2	34,926	11,2	68,292	11,7%
Southern	49,949	18,3	64,527	20,8	114,476	19,6%
Total	272,511	100	310,543	100	583,054	100

Source: Statistics South Africa, Population Census 2001

According to **Table 2.3**:

- Females are the least employed across all the District Councils;
- The Bojanala unemployment rate is the highest at 50.5 percent;
- The Bojanala unemployment rate is similar among males and females at 50 percent; and

- The Bophirima district is the least in unemployment rate at 11, 7 percent because this district is too rural, and most people are employed in the Agricultural sector, and employed doing farming to generate income.

The combined effect of unemployment in the North West, together with the fact that literacy is lower than the rest of the country, and the fact that the provincial economy is less diversified than the national economy, make poverty in the province a lot more critical. Poverty increased from 44 percent in 1996 to 56 percent in 2001. In the North West (North West Provincial Govt, 2002 North West Economic and Industrialisation Plan (NWEDIS).

5. NORTH WEST PROVINCIAL EDUCATIONAL LEVELS

Table 2.4 below shows literacy rate of people living in the North West by district councils.

Table 2.4: North West and District Council Literacy Rates.

District	Rate
Central	61.8%
Bojanala	76.5%
Bophirima	53.7%
Southern	74.5%
North West	70.1%

Source: Statistics South Africa, Population Census 2001

Literacy table shows the province literacy as follows:

- North West literacy rate is 70.1 percent;
- The Bojanala district council has the most illiterate people 76.5 percent followed by Southern district councils at 74.5 percent; and
- The Central and Bophirima are 61.8 percent and 53.7 percent respectively.

Table 2.5 below shows the highest level of education amongst population aged 20 years and above by population group.

Table 2.5: North West Population aged 20 + by educational level and population Group in 2001.

Status	Black	Coloured	Indian/Asian	White	Total
No Schooling	414,394	6,072	226	3,095	423,787
Some Primary	417,599	5,624	387	2,415	426,025
Complete Primary	140,052	2,454	245	1,429	144,181
Some Secondary	551,887	11,823	1,722	53,831	619,263
Std 10 / Grade 12	310,848	5,667	2,383	74,910	393,809
Higher	87,416	1,466	1,544	34,425	124,851
Total	1,922,196	33,105	6,507	170,105	2,131,914

Source: Statistics South Africa, Population Census 2001.

Table 2.5 shows that about 414 394 Black Africans as compared to 6 072 Coloured and 226 of Indian or Asian and 3 095 of Whites amongst the people aged 20 years and older had no schooling. About 87 416 Black African had attained higher level of education as compared to Whites at about 34 425 and Indians or Asians about 1544 and Coloured population at about 1466 in numbers.

6. INTERVENTIONS BY THE DEPARTMENT OF LABOUR IN THE NORTH WEST PROVINCE PRIOR TO 2000.

During the last years of apartheid, the main training law in South Africa was the Manpower Training Act of 1981. This Act had set up the National Training Boards (NTB's) which gave advice to the Minister of Manpower. Their composition was heavily weighted in favour of representatives from other ministries and public bodies with minimal representation, if any at all, for unemployed people. They lacked real influence over training policies and related resource allocations (Department of Labour Annual Report Introduction to the Skills Development Act, 1998).

The National Training Boards (NTB's) supported employee training with the aim of supporting accreditation and setting of standards, developing a number of levy systems to collect revenue and disburse resources to employers and supporting the training and development of artisans and apprenticeship. The only visible and recognised Industry

Training Board in the North West province during 1997 was the Building one, and it provided male dominated artisan training like Plumbing, Metalwork, and Carpentry among others. Training for women, in the social and business skills was limited. This statement is supported by Kruiper (1991:61) in her review of programmes of assistance for women entrepreneurs in Africa in the early 1990's when she concluded that the acquisition of business skills was "secondary neglected area....the skills taught remain limited to vocational skills , and in case of women's groups only organisational skills". Lack of business skills training even today, had serious consequences for income generating projects

The Department of Manpower was responsible for approving and registering the Training Centres, which provided short-term training under the scheme for the training of unemployed persons. Prior to 2000, education and training was provided for different systems, and it was divided along the lines of race, age, gender, skill and geographical location. This meant that academic education taking place in schools and universities was separate from the training that was taking place at the vocational stream.

7. THE SCHEME FOR THE TRAINING OF UNEMPLOYED PERSONS (TUP) ADMINISTERED BY THE DEPARTMENT OF LABOUR UNDER THE MANPOWER TRAINING ACT OF 1981.

Since 1997 when the researcher joined the Department of Labour, there was no strategy in place that was giving guidance on how training should be conducted. Documents that were giving strategic direction on skills training were the Provincial Training Plans (PTP); these documents were primarily based on the secondary data from journals and other sources. DoL was working as a silo in determining training needs and those to be addressed; there was no assessment of skills and any formal research techniques or networking with other social partners.

Training was not demand-driven nor addressing the needs of the North West Province Labour Market. Skills Development System was largely driven by supply rather than demand.

The Scheme for Training of the Unemployed that was frequently referred to as (TUP) came into being as a result of the **Manpower training Act of 1981** that was later replaced by new laws such as the **Skills Development Act No 97 of 1998**, and the **Skills Development Levies Act No 9 of 1999**, which were introduced to develop and improve the workplace, in different economic sectors and throughout South Africa.

7.1 The objectives of the (TUP) scheme.

The Programme had two main objectives, namely, equipping unemployed persons with:

- Market-directed work skills through which their entrance to the labour may be facilitated; and/or
- Skills that will enable them to enter the informal sector in order to identify and utilize income-generating opportunities and to function as individual entrepreneurs or to enter a community driven project.

7.1.1 Training provided under the TUP programme

The training provided under this programme was aimed at equipping unemployed persons with skills so that they could access job opportunities or generate income in the formal or, informal sector, and to develop their own SMME's.

7.1.1.1 Training for the formal (employment) sector.

The training was offered primarily to accomplish the placement of as many unemployed persons as possible within the labour market. Courses were structured so as to equip the unemployed with market-directed work skills that will constitute a credit towards a qualification registered in terms of the **National Qualification Framework (NQF)**. It was the responsibility of the Training Provider to obtain accreditation from a suitable Sectoral Education and Training Authority (SETA).

7.1.1.2 Training for the informal (self-employed) sector.

The courses offered for this sector were to equip unemployed persons with work skills that will enable them to obtain a job, to enter community projects, or to identify and utilise income-generating opportunities so as to function as an individual entrepreneurs.

7.1.1.3 Training for SMME'S (Small Medium and Micro Enterprises).

The objective of his training was to offer trainees who already had relevant work skills and had shown entrepreneurship potential during recruiting, a chance to develop their business skills in order to enable them to start their own enterprises.

Persons that had received competency training under the skills programme were to be granted approval by the DoL Training Adviser or Deputy Director: Skills Development and Employment Services to attend the course.

7.1.1.4 Training of designated groups

The objective was to offer designated groups (women, youth and people with disabilities) an opportunity of making a contribution to the country's economy and to earn a livelihood. The training offered to designated groups differed depending on the group's ability. The duration of the courses were consistent with the nature of the group and the type of skills required (Department of Labour: Guidelines for the Scheme of training the unemployed persons, 1998: 1-3).

The Department of Labour was merely administering the scheme, but was not presenting the training itself. The training was privatised, and for this purpose agreements were entered into with the Training Providers. The money was drawn from the NSF and Providers were paid a prescribed course fee per trainee per day; DoL was also determining the duration of course in co-operation with accredited Industry Trainings Boards where applicable. Should there be a need to upgrade or change the content or aim of a course, it was to be submitted to the Training Advisors of DoL Provincial Offices. The Provincial Offices of the Department will compile a Provincial

Training Plan in line with the National Training Strategies and the Provider Guidelines will be issued or published from time to time in line with which the Providers may submit their applications for the training of the unemployed persons (Department of Labour: Operations Manual, 2000: 15-16).

7.2 STAKEHOLDERS INVOLVED IN THE (TUP) TRAINING.

There were stakeholders who were involved in the TUP scheme namely:

7.2.1 Provincial Selection Committee and the Provincial Skills Development forum of the Department Labour.

7.2.1.1 The Provincial Selection Committee (PSC).

The Provincial Selection committee (PSC) was a committee within the Provincial Departments of Labour in all the nine Provinces. Members were mainly ESDS unit's management committee. This committee met on monthly basis or when needs arise, its responsibilities and mandate was the operationalisation of spending of the National Skills Fund. Its main role was to approve or reject projects submitted by the Training Providers. Training was recommended without a strategy or set objectives as it is currently done with National Skills Development Strategy in place with set objectives that guide the processes.

The only guiding document was the Provincial Skills Plan (PSP) where training needs to be addressed were mainly derived from secondary data about the Province or through thumb sucking, and the criteria applied was included in the information document on the Skills Development Funding Window (SDFW). There was not stakeholder networking or involvement; all the Departments were working as silos. Training needs were not aligned to the Integrated Development Plans (IDP) by Municipalities.

Projects submitted to the PSC were Provider driven, there was no recruitment, selection, counseling, job matching and placement guarantee by the Department. (Barongwa Consulting, Employment Service of South Africa Manual; 2006: 3).

7.2.1.2 The Provincial Skills Development Forum (PSDF).

This was another forum within Provincial Offices of DoL. This committee was on a more strategic level. Members comprised of all five DoL Business Unit Managers who were meeting on monthly basis to monitor the development trends within the Province and the progress of training, more concentration was based on the NSF allocations and expenditure.

7.2.2 Training Providers

Training providers were appointed by the Department of Labour Provincial Selection Committee (PSC) after meeting certain criteria to provide training to the unemployed persons. They were determined the type of training to be offered to the unemployed. This was often based on their equipment, course material and training competence rather than skills needed in the market place. Training providers undertook their own recruitment and selection of trainees before they commenced with training. Much of the training was short courses of between three to four weeks that did not lead to formal qualifications and were mostly not recognised by the industry.

The training was module-based and outcome-based and it was to develop transferable and portable skills. It also had to have common standards aimed at the envisaged National Qualification and Accreditation System. In reality, that was not the case; according to the Department of Labour Annual Report of 1998 training was more “welfare-oriented”, getting the unemployed off the street and providing them with an R8.00 per day allowance. Placement of learners in employment was not a priority. This is signified by the extremely low placement rate attached to this learning.

Despite a chronic lack of supporting evidence, most Providers-driven training was widely criticized for being inaccessible, irrelevant and of poor quality. Training projects and programmes replicated the policies of supply-driven training and as a result of this training consequence, the following characteristics, as argued by Bennell, (1999:26) were typical of this kind of training. It is “a largely top-down process of skills transfer with little or no involvement of stakeholders in the identification of training needs and

the design of training programmes". The training providers during this era focused on the urban than the rural areas. South Africa was not the only country that was performing such practices. In countries such as Ghana for example, even at the government funded training in remote rural locations, the opportunity was inaccessible to those in dire need, the majority of the beneficiaries of training came relatively from urban backgrounds like it was the case in the North West Province (Bennell, 1999:26).

Figure 2.1 below illustrates the distribution of training according to the DoL Provincial Labour Centre before cross border demarcations in South Africa. It should be noted that Ga-rankuwa and Temba transferred to Gauteng after the demarcation.

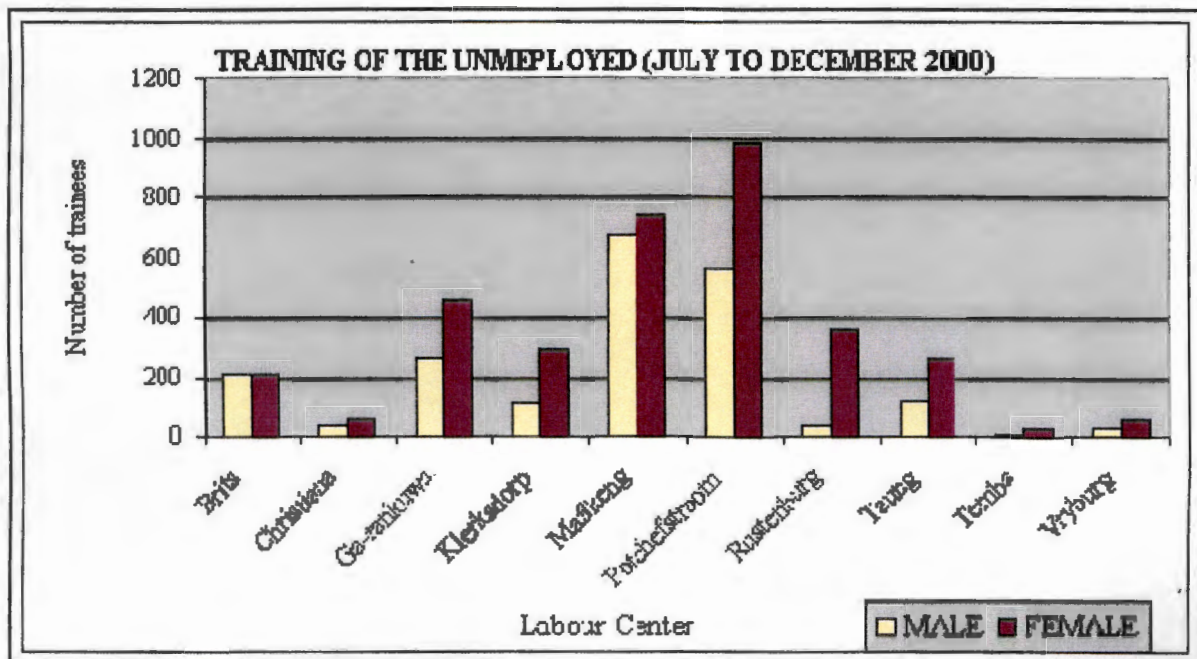


Figure 2.1: Training of the unemployed persons in 2000.

Source: Training of the Unemployed Persons System 2000

Figure 2.1 summarises the number of unemployed trainees trained in the jurisdiction areas of the twelve labour centres of the Department of Labour in the North West Province. It is shown in the figure that in all the labour centres, there were more females trained than their male counter-parts. In Potchefstroom, Garankuwa, Klerksdorp and Taung the percentage difference in terms of training by gender is more than 25 percent while in Rustenburg about 79.77 percent more females were trained than males. The percentages will be reflected in Table 6 below.

Table 2.6 summarises the number of trainees trained in 2000. A total of 5501 trainees were trained during this period, and the areas that contributed more to the training of the unemployed were Mafikeng and Potchefstroom of who's contribution was 26 percent and 28 percent respectively. Garankuwa followed with 13 percent while in Temba and Vryburg only 1 and 2 percent were contributed to the trained unemployed. This clearly shows that most people were trained in the urban areas than in the rural or semi-urban areas. Areas such as Vryburg and Temba that were regarded as semi-rural, people trained were in small numbers.

Table 2.6: A summary of persons trained in 2000.

Area of Jurisdiction	Total Male	Total Female	Total	%Male	%Female	% of Total
Brits	211	210	421	50%	50%	8%
Christiana	36	60	96	38%	63%	2%
Ga-rankuwa	265	459	724	37%	63%	13%
Klerksdorp	109	292	401	27%	73%	7%
Mafikeng	674	742	1416	48%	52%	26%
Potchefstroom	558	980	1538	36%	64%	28%
Rustenburg	36	359	395	9%	91%	7%
Taung	120	264	384	31%	69%	7%
Temba	6	28	34	18%	82%	1%
Vryburg	31	61	92	34%	66%	2%
TOTAL	2046	3455	5501	37%	63%	100%

Source: Employment and Skills Development Services, Department of Labour, North West

7.2.2.1 Training of People with Disabilities

Prior to 1998, Training Providers tended to focus their training efforts more on non-disabled people than people with disabilities. The Numbers of the disabled in training were small and in the North West Province they were sometimes not trained at all this resulted in the allocation of training being skewed. An example of this is depicted in the table below.

Table 2.7: Non-disabled versus people with disabilities trained during the financial year 1997/1998

Province	Non-Disabled	Disabled
Western Cape	5570	10
Eastern Cape	13852	44
Northern Cape	1395	22
Free State	7428	35
KwaZulu-Natal	7726	568
North West	6772	0
Gauteng South	6375	45
Gauteng North	4028	8
Mpumalanga	10302	0
Limpopo	10790	0
Total	74238	732

Source: Department of Labour Annual report, 1998

7.2.3 Non-Governmental Organisations (NGO's), Business, Government Departments.

Although the Department of Labour supported the principle of holistic and coherent development of people through NSF, attempts to forge training partnerships with other organisations and groups had been rare or not there at all. There had been limited attempts to provide training as part of an integrated package. Poor communication and frequent "turf wars" among provincial Government Departments responsible for the skills development were endemic.

Little is known about the extent to which private sector, for example business, and non-governmental organisation's training provision benefited the unemployed, and less is even known about recent trends. (www.labour.gov.za).

NGO's are said to be focusing heavily on providing conventional training for the poor, they are closer to the people and they are generally better able to identify and support the training needs of the unemployed people. In the past such training was provided by churches. In the North West Province, they remain at the margins of training system and lack the resources to make a large-scale, sustained contribution (MacGrath; et al, 2004: 75).

With the challenges stated above, there was a need for the DoL to transform its own internal systems and structures by integrating the services that it offers to clients. The transformation of the DoL to align the services it provides with the demands of the labour market began with the formulation of new strategies and legislation such as the Skills Development Act of 1998 and the National Skills Development Strategy that was launched in February 2001. The transformation of the DoL was also motivated from a changed client base. Over a third of the economically active population were unemployed, the majority of whom were young people who were unlikely to find employment in the formal sector and were not qualifying for the Unemployment Insurance payments. Concurrent with this, was a situation of critical skills shortage and the skills and highly skilled end of the labour market which meant that there needed to be a massive focus on skills development in the areas of need (Department of Labour: ESDS Operations Manual, 2000: 9).

8. THE STATUS OF SKILLS DEVELOPMENT IN THE NORTH WEST PROVINCE (POST 2000).

8.1 The Skills Development Act of 1998.

As mentioned in Chapter 1 the Skills Development Act was promulgated in 1998, and it has established bodies such as the National Skills Development Authority (NSA) that serves as an advisory body to the Minister of Labour on the Skills Development Strategy, Sector Education and Training Authorities (SETAs) which are responsible for planning, managing, organising, monitoring, funding and evaluating education and training in the economic sectors thereby replacing the Industry Training Boards (ITBs) as mentioned earlier in the chapter. At present there are 25 SETAs.

Other bodies that were established by the SDA are the Skills Development Planning Unit (SPDU) in the Department of Labour as a research and planning unit for fostering skills development. The Labour Centres that are the structures responsible for providing employment service such as advising and assessing workseekers for work, career choices and training opportunities, as well as assisting the employers with the availability of workseekers and in developing social plans (Skills Development Act no 97 of 1998).

The SDA aims to develop the workforce through improving:

- The prospects of workers and their quality of life;
- Workforce productivity and competitiveness;
- Self employment and improving access to employment for workseekers and people who have been retrenched; and
- The quality of social services-specifically support services relating to education and training and development.

The Skills Development Act of 1998 is the primary policy instrument currently governing skills development. As mentioned previously in the chapters, it had replaced

the previous Manpower Training Act, and sought to change the way the labour market functions in a number of significant ways:

- It emphasises demand-led training, suggesting a move away from the provider driven supply model of training, where large numbers of unemployed persons received training with no specific requirement to align it to any identified need in the labour market.
- It sought to promote workplace based training, which should be governed and managed in a more inclusive and transparent manner.
- It broadened access to qualifications that link formal institution based learning with workplace based learning by introducing learnerships.
- It had created SETAs, the institutions that would support and drive skills development within various economic sectors.
- It provided dedicated funding of skills development both in the workplace and in the broader labour market through the introduction of the levy grant system (Department of Labour, National Skills Authority, First Economy brief, May 2007: 4).

8.2 The National Skills Fund

As earlier mentioned, the source of funding for skills development in South Africa is established mainly from the skills levy paid by employers, donors and from government that is paying some of the money into the National Skills Fund (directly from taxes). The 37 percent of the money in the NSF goes to the Social Development Funding Window (SDFW).

The SDFW is allocated and disbursed by the Provincial Selection Committee of DOL to projects designed to assist the following:

- Unemployed and underemployed persons;
- Retrenched workers (Social plan);
- People with disabilities;

- Prisoners; and
- Provincial and local skills development programmes.

The focus of this study was on the training of the unemployed and underemployed funded by National Skills Fund.

8.2.1 Social Development Funding Windows of NSDS (2001-2005)

The Minister of Labour, Membathisi Mdladlana, launched the National Skills Fund simultaneously with the NSDS strategy in 2001. The Skills Development Funding Windows (SDFW) of the NSF was developed to ease the management of the funds, with each funding window representing a mandate emanating from the NSDS. These funding windows are disbursed through the Provincial Offices of the Department of Labour, where the Provincial Executive Managers (PEMs) are the accounting officers.

The following windows were approved and are explained in detail at **Table 2. 8** below

Table 2.8: The Social Development funding Windows of the National Skills Fund

Window	Mandated to	Responsibility
1. Social Development Funding	That caters for unemployed people, Community based initiatives and Expanded Public Works programmes	Department of Labour Provincial Offices
2. Strategic projects	Learnerships	SETAs
3. Skills Support programme to support new investment	Learnerships	SETAs and Department of Trade and Industry
4. Others such as scarce skills, bursaries, innovation, capacity building and NSDS promotion	Learnerships, Training Providers etc.	DoL, SETAs and

Source: (Department of Labour: Employment and Skills Development Services Operations Manual, 2000: 10).

8.3 The Human Resources Development Strategy

The Human Resource Development Strategy (HRDS) cannot be ignored when dealing with skills development issues. The Skills Development strategy is an essential component of the Human Resources Development Strategy. The Department of Education and the Department of Labour had actually cooperated on the development of the HRD strategy. The HRD strategy deals with aspects of human resources development whereas the NSDS focuses its work on the needs of the workplace. The HRD strategy is the overall framework that guides the government approach to skills development. It ensures a coordinated approach to HRD across sectors and builds equity by prioritising, for development opportunities, those who suffered from discrimination in the past.

The HRD strategy emphasises increasing the focus on skills development and ensuring the development of skills that are linked to economic growth and social development of the country. It has been developed as a collaborative effort of various government departments as each department is required to identify ways of implementing those aspects of the strategy which are relevant to it. For the NSDS to be successfully implemented, the HRD strategy should be incorporated as its mission is 'To maximise the potential of the people of South Africa, through the acquisition of knowledge and skills to work productively and competitively in order to achieve a rising quality of life for all and to set in place an operational plan together with the necessary institutional arrangements to achieve this' (Human Recourses Development Strategy 2001).

The HRD strategy has four objectives namely:

- Improving the foundations for human development;
- Improving the supply of skills;
- Increasing employer participation in lifelong learning;
- Supporting employment growth through innovation and research; and
- Ensuring that the four strategic objectives are linked.

The fifth objective given is to ensure coordination, support from the highest level of government and from key stakeholders to ensure linkages of the objectives.

8.4 The National Skills Development Strategy (2001-2005)

The National Skills Development strategy was launched in 2001 as the main vehicle for advancing the attainment of goals attributed in the SDA. The strategy sought to address the structural deficiencies of the labour market, and to develop a workforce that can respond to the modern economic environment, taking into account the equity considerations that were peculiar to the South African history. The objectives of the NSDS strategy are spelled out in **Table 2.9** below.

Table 2.9: The objectives of the NSDS strategy (2001-2005)

Objective	Success indicator by 2005
1. Developing a culture of high quality lifelong learning.	a) Seventy percent of workers have at least ha Level one qualification on the NQF. b) A minimum of (15%) of workers have embarked on a structured learning programme, of these (50%) have completed their programme satisfactorily. c) An average of 20 enterprises per sector and at least five government departments to be committed too, or achieved an agreed national standard for enterprise-based people development.
2. Fostering skills development in the formal economy for productivity and employment growth	a) Seventy percent enterprises with more that 150 workers are receiving skills development grants and the contributions towards productivity and employer and employee benefits are measured. b) At least 40 percent enterprises employing between 50 and 150 workers are receiving skills development grants and the contributions towards productivity and employer and employee benefits are measured. c) Learnerships are available to workers in every sector (precise targets agreed with each SETA) d) All government departments assess and report on budgeted expenditure for skills development relevant to Public Service, sector and departmental priorities.

Table 2.9: The objectives of the NSDS strategy (2001-2005) (Continued)

Objective	Success indicator by 2005
3. Stimulation and supporting skills development in small business.	a) At least 20 percent of new and existing registered small businesses to be supported in skills development initiatives and the impact of such support to be measured.
4. Promoting skills development for employability and sustainable livelihoods through social development initiatives.	a) Hundred percent of NSF apportionment to social development is spent on viable development project. b) Impact of NSF is measured by projects type and duration, including placement rates which shall be least 70 percent.
5. Assisting new entrants into employment.	a) A minimum of 80 000 people under the age of 30 have entered learnerships. b) A minimum of (50%) of those who have completed learnerships are, within six months of completion, employed in full-time study or further training or are in a social development programme.

Source: National Skills Development Strategy (2001-2005)

The above stated NSDS objectives were aimed at addressing the following problems:

- The current and past discrimination in the access to education and training opportunities along racial and gender lines and against people with disabilities. Black people were not exposed to training opportunities like White people.
- Segmentation of the labour market into unskilled, semi-skilled and skilled, with restriction on upward mobility of the lower skilled workers. Lower skilled workers were not given opportunities to further their learning to gain more knowledge and to be competent.
- Separation of education and training, where classroom learning is separated from practical training. Theory and practice were separated, people were memorized information learn without practicing what they have learned.

- Many workers have insecure jobs due to being employed as casual, seasonal, or migrant labourers with limited prospects for future development.
 - Others have resorted to informal trading, living on a subsistence income without much hope.
 - Extremely high levels of unemployment, particularly among blacks, women, and rural communities. This group was marginalised as a result of apartheid. Women were not exposed to training to acquire self-employment skills or to be placed in the formal sector.
 - Globalization of the world economy places higher demands for productivity and innovation on all nations, including South Africa.
- (National Skills Development Strategy, 2001-2005).

The National Skills Development Strategy is underpinned by five guiding principles mentioned in **Table 2.10** below:

Table 2.10: Five guiding principles of the NSDS

Principle	This means.....
1. Promotion of equity	Easing the legacy of the past and building an inclusive society with widened opportunities. National equity targets are adopted for the beneficiaries of learning programmes across the five objectives of the NSDS. These are (85%) black, (54%) female, and (4%) people with disabilities.
2. Demand-led	Building skills development within a realistic assessment of our needs. Increased productivity, to compete internationally, to encourage worker mobility, to increase self-employment, and to meet community needs.
3. Flexibility and decentralization	That the government provides the framework, direction and coordination so that the public and private sectors can make judgments about demand and determine the most suitable providers.
4. Partnerships and cooperation	Implementing the strategy there should be appropriate partners.

Table 2.10: Five guiding principles of the NSDS (Continued)

5. Efficiency and effectiveness	That skills development programmes should be cost-efficient and lead to the anticipated learning outcomes.
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Source: (Department of Labour: ESDS Operations Manual 2002: 35-30).

Focus of the study on the NSDS 2001-2005 will be based on strategic objective four in **Table 2.9** that is “**promoting skills development for employability and sustainable livelihoods through the social development initiatives**”. By this, the NSDS sought to assist unemployed people to improve their livelihoods through skills development and through participating in social development initiatives. Social development projects which are government or community driven for the delivery of basic services and infrastructure also qualified under this category. Through this objective, the strategy aimed to promote sustainable livelihoods for the poor. This went beyond simply earning an income since it also included opportunities for self-employment and non-market services such as community based care and community housing schemes. It also includes more intangible benefits such as the acquisition of life skills.

The objective required cooperation between national, provincial and local governments together with the community. The major vehicle for this objective was the NSF, which sets aside about one third of its income for funding off the social development projects via the Provincial Offices of the Department of Labour. Targets were set to ensure that funding was spent on viable development projects and the impact was measured for this objective by measuring whether or not people were placed (self-employed, informal and formal employment, proceed to learnership programme) after training (National Skills Development Strategy Implementation Report, April 1,2004 –March 31, 2005: 39).

8.4.1 Key role Players in the North West Province.

One of the guiding principles of the NSDS emphasizes partnerships and cooperation because when implementing the strategy there should be appropriate partners to realize the objectives. The role of such stakeholders should be clearly defined and their

contributions should be measurable. The successful implementation of the NSDS is dependent more on stakeholder networking, and organised stakeholders whose character and interest is developed on the masses of our people.

This notion is clearly articulated in the Human Resources Development Strategy of 2001 as referred to in the Reconstruction and Development Programme principles (RDP) that:

‘Our people, with their aspirations and collective determination, are our most important resources. The RDP is focused on our people’s most immediate needs, and relies, in turn, on their energies to drive the process of meeting these needs. Development is not about delivery to a passive citizenry. It is about involvement and growing empowerment’.

In the North West Province currently, the Department of Labour had forged partnerships with other stakeholders as required by their the Key Results Areas (KRAs) 1 on their workplan which state that the Provincial Skills Initiatives are aligned to the Provincial Economic Growth and Development Strategies. The performance measures indicate that all stakeholders should be involved in the updating of the Provincial Implementation Plan (PIP), and the Provincial Skills Development forum(PSDF) or the Provincial Growth Development Strategy Forum, the Provincial Selection Committee (PSC) are operational and are supporting and strengthening the local and Regional Development and Skills Committees (RDSC’s).

The DoL had created Forums and Committees with the aim the of realizing the NSDS Objectives. These forums include:

8.4.1.1 Office of the Premier.

This office plays a key role in determining both political and economic life of the Province. Beyond this it provides direction in as far as the Provincial economic development strategy is concerned. And thus it rallies around all state agencies behind skills development of the unemployed provincial citizen.

8.4.1.2 Provincial government departments.

These include government departments whose interest is development of people through social development projects, SMME Desks at the provincial level with the purpose of giving SMME support. Government agencies for example Small Enterprise Development Agency (SEDA), Ntsika Enterprise Promotion Agency (NEPA) which were given the mandate to provide a wide range of non-financial services to local service delivery groups and people are also included. These players are advising and ensuring integrated planning and development within the province to enable development and empowerment of the unemployed and underemployed.

8.4.1.3 Organised labour.

The role of organised labour is to reinforce the challenge of the NSDS in the development of the labour market. It is also ensuring that employees are playing a key role in learnership implementation and that new entrants to the labour market are sincerely assisted through such mechanisms.

8.4.1.4 Organised business

Its key role is to inform the Forum and planners about the skills development initiatives and other developments which the private sector is planning. Beyond this, organised business is a key partner in employment creation and placement of the unemployed.

8.4.1.5 Organisations of community and development interests

Skills development investment and linkages to communities and community initiatives through NGOs and CBOs need to be realized. These organizations inform the Forum around the development taking place within themselves and the communities. They make sure the impact of the skills development is felt within the ordinary people at local level.

8.4.1.6 Provincially based SETAs

These are invited to sit in the Forum on an ad-hoc or regular basis and they reflect on the sectoral planning. They also inform the Forum about different sectors and placement of the unemployed into registered learnerships and social projects undertaken by them. Participation of the SETAs should enhance collaboration with various stakeholders within the Province.

8.4.1.7 The interest of designated groups

The interest of youth, women and persons with disabilities is also represented in the Forum and the programmes aiming at their development are determined by the Forum. These groups are represented through the statutory organizations or civil organizations.

8.4.1.8 Regional Development and Skills Committees (RDSCs)

These are locally based committees that cut across all the ten Labour Centres within the North West Province and reports to the PSDF or PGDS Forum. Their functions are to:

- i) Ensure regional cooperation of stakeholders;
- ii) Initiate and identify income-generating projects;
- iii) Forge linkages and participate in the implementation process of the integrate urban, rural and development strategies;
- iv) Identify training needs;
- v) Monitor projects planning, implementation and management process; and
- vi) Develop Regional Skills Plans (RSP).

The Provincial Skills Development Forums or PGDS are seen as catalysts and vehicles for bringing and making the impetus in the lives of people. They should ensure the efficiency and effectiveness of the structure. Their co-ordination to ensure that relevant stakeholders are consulted and participate, but co-operation is not always granted from

stakeholders at all times. North West Province is no exceptions in terms of challenges they come through when implementing the strategy. Challenges that the North West PSDF is facing will be dealt with in detail in Chapter five.

8.4.2 Other NSDS implementing Agents.

The Department of Labour national have partnered with the following three Institutions in the implementation of the NSDS. They are expected to play a role implementing their programmes, and to report on progress and impact of those programmes at the Provincial Level.

8.4.2.1 INDLELA

Despite the ongoing assessment of various trades, INDLELA has to focus on going one step further in ensuring that all South Africans are developed in the technical and vocational fields. This will ensure that the necessary skilled labour force required will be established with the focus on small and medium and micro enterprises thus ensuring that a number of businesses are kick-started as a result.

In the North West Province that is not the case, the role that this institution is playing in terms of assisting the SMMEs and people to kick-start their own business has not been experienced by the Provincial Department of Labour. The only role they play is the ongoing administration and assessment of the trade test in various sectors.

The Republic of South Africa Minister of Labour and the Ministry of Labour and Social Security (MOLSS) of the People's Republic of China had signed the Memorandum of Understanding on October 9, 2006, for the two countries to co-operate with and learn from each other in terms of labour issues. A delegation from DoL was sent to China during September 2007. They had learned that there are Distance Learning Centres that operate like INDLELA and they produce and transmit a variety of learning programmes to learners across the country. Both theoretical and practical learning are captured on multi-media and transmitted to various learning centres in different parts of the country. This allows the centres to offer training to a large number of people

across the country at the same time. INDLELA could use such technology for both the production and transmission of learning to all Labour Centres across the country (Department of Labour, China report, 2007: 4).

8.4.2.2 National Productivity Institute

The objective of the National Productivity (NPI) is to grow SMMEs into viable and sustainable concerns through productivity improvement and increased competitiveness. The NPI should also be actively involved in creating awareness of productivity concepts through the National Schools debates in collaboration with the Provincial Departments of Education. Little is known or not known at all about the activities of this institution in the North West Province.

In China for example, there is a Start and Improve your Business (SIYB) Small Business Development unit which designs, develops and delivers training on small business development for unemployed persons. Their programmes do not only include training, but also seed capital and monitoring support at the Provincial level. The entire programme is funded through government subsidies as well as tax incentives. South Africa could also adopt this approach and use institutions such as NPI (Department of Labour, China report, 2007: 5).

8.4.2.3 Umsobomvu Youth fund

The Umsobomvu Youth Fund (UYS) should achieve its mandate by focusing on the three programme areas being:

- Information and counselling to provide advice and referral of information to the youth on issues relating to economic participation;
- Skills development and transfer aimed at providing life and technical skills and work experience to unemployed youth. This is achieved through the school/Training Centres to work programme targeting scarce skills and National Youth Service focusing on community service; and
- Youth entrepreneurship support aimed at providing business development support such as business planning, entrepreneurship education and finance to youth SMMEs.

In the North West Province, their involvement was seen after the implementation of the National Skills Development Strategy 2005 – 2010. They are now working hand in glove with DoL Provincial Office in addressing the training needs targeting the Youth. As at 30 September 2007, six hundred and thirty three (633) youth were trained in the Expanded Public Works Programme whereby DoL was financing the training and Umsombovu was providing support on business planning, entrepreneurship education and financing youth SMME. The National Youth Service came up with the training needs analysis and community services. (SQMR April 2007- September 2007).

Specific success indicators for this objective three in **Table 2.9** of the NSDS 2001-2005 on the training of the unemployed persons are listed in **Table 2.11** below.

Table 2.11: Specific success indicators for objective three of the NSDS

Success Indicator 4.1 By March 2003, (100%) of the National Skills Fund apportionment to social development is spent on viable developments projects.
Success Indicator 4.2 By March 2005, impact of the National Skills Fund is measured by project and duration including details of placement rates, which shall be at least 70 percent.

Source: National Skills Development Strategy (2001-2005)

The Minister of Labour extended the implementation period for the indicator 4.1 that is By March 2003, hundred percent of the National Skills Fund apportionment to social development is spent on viable developments projects. As at the end of March 2004, 88 percent of the NSF funds allocated to the Provinces were spent on 2003/2004 contracts. The utilisation rate of the funds allocated was 83 percent.

In 2004/05, 69,1 percent of the funds allotted to the social development projects by the Department of Labour's Provincial Offices of which 55, 2 percent was spent. This resulted in a utilisation rate of thirty-eight point two percent 38, 2 percent.

(National Skills Development Strategy Implementation Report April 1, 2004 –March 31, 2005: 39).

8.4.3 Impact of the National Skills Fund in the North West Province during National Skills Development Strategy (2001-2005).

The National Department of Labour allocated funds under the Social Development Funding window initiatives to Provinces, for an example in April 1, 2004 to March 31, 2005 as indicated in **Table 2.12** below:

Table 2.12: Allocations of funds to Provinces in 2004/2005 financial year

Province	(available Budget) (R)	% of Total Allocated	Allocated (R)	% Allocated	Spent (R)	% Spent of Allocated	Utilization Rate (%)
Western Cape	30 544 406	10.65	12 77 313	41.82	5 226 289	40.91	17.11
Eastern Cape	46 545 455	16.23	43 853 389	94.22	26 597 586	60.65	57.14
Northern Cape	9 097 861	3.17	7 798 732	84.72	2 966 392	38.04	32.61
Free State	12 223 058	4.26	9 513 098	77.83	6 033 204	63.42	49.36
KwaZulu-Natal	30 334 405	10.58	19 153 244	63.14	10 287 322	53.71	33.91
North West	60 730 016	21.17	20 599 615	33.92	13 113 561	63.66	21.59
Gauteng South	34 045 497	11.87	33 269 371	97.72	19 201 770	57.72	56.40
Gauteng North	23 264 696	8.11	20 860 794	89.67	10 532 431	50.49	45.72
Mpumalanga	23 020 461	8.03	16 764 927	72.83	8 783 159	52.39	38.15
Limpopo	16 997 256	5.93	13 660 029	80.37	6 691 286	48.98	39.37
Total	R286 802 811	100.00	R198 247 512	69.12	R109 433 000	55.20	38.16

Source: *National Skills Fund Disbursement Information System /Training of the Unemployed Persons Systems, 2005.*

Table 2.12 indicates that the North West Province has been allocated the biggest amount for skills development 60, 7 million Rand 21, 2 percent of the total budget). This amount, however, included the ring-fenced Manpower Development Authority of Bophuthatswana (MANDAB) monies for utilization in the North West Province only. North West and the Free State had the highest spending rate against the allotted amount 63.6 percent and 63.4 percent respectively, whilst the Northern Cape had the lowest spending rate 38 percent. The total utilisation rate had decreased from Eighty-three percent 83 percent as it was compared for 2003/04 to Thirty-eight percent 38 percent in 2004/05. The target which stated that hundred percent of the amount allocated should be spent had not been achieved on this indicator (National Skills Development Strategy Implementation Report April 1, 2004 –March 31, 2005: 41).

Figure 2.2 illustrates number of unemployed persons trained per Province from April1, 2004 to March 31, 2005.

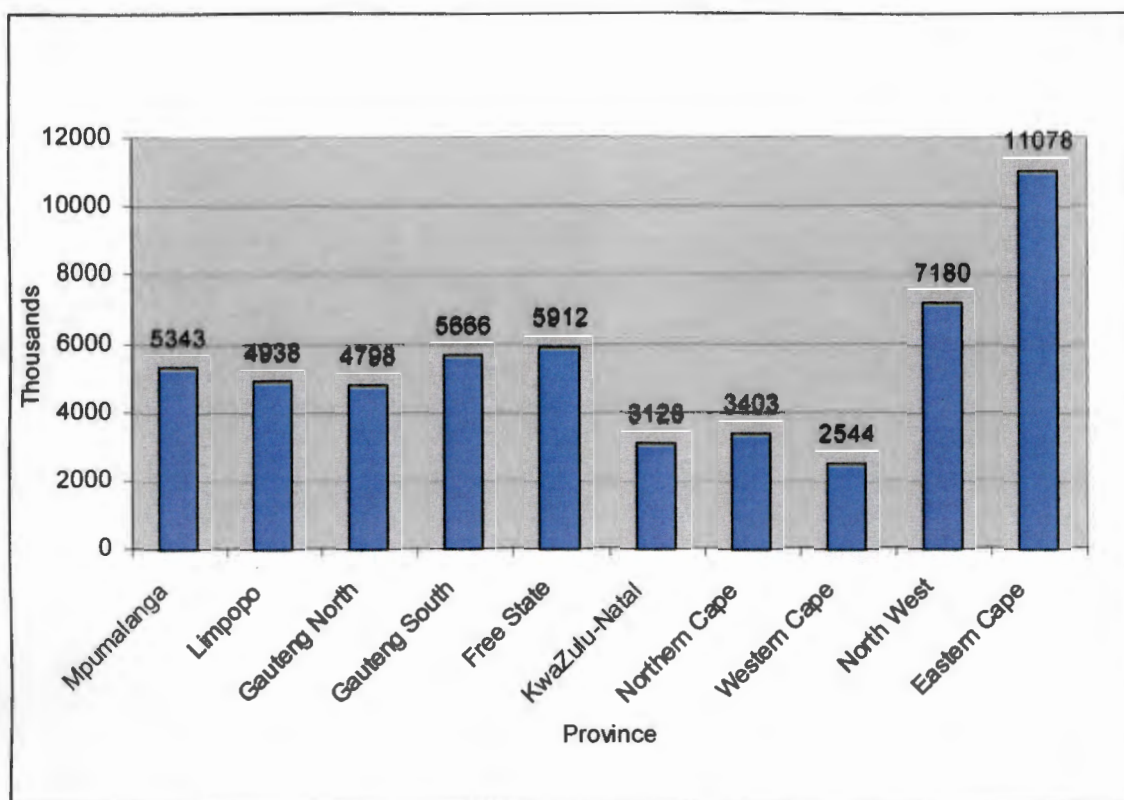


Figure 2.2: number of unemployed persons trained per Province from April 1, 2004 to March 31, 2005

Source: *Service Delivery Quarterly Monitoring Report, 2005*

Once more, the Eastern Cape had trained the highest number of unemployed people by far (11 078) followed by North West with 7180 learners. In this indicator the 70 percent placement rate had been exceeded.

Figure 2.3 below illustrates number of people with disabilities trained per Province from April 1, 2004 to March 31, 2005.

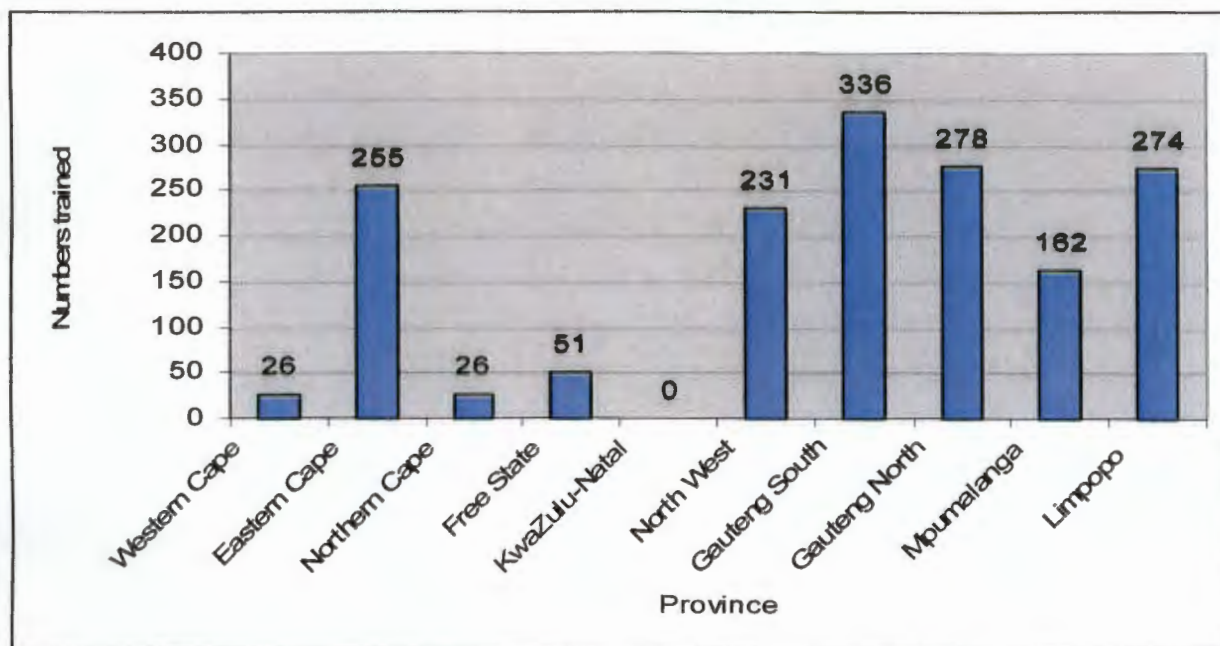


Figure 2.3: Number of people with disabilities trained per Province from April 1, 2004 to March 31, 2005

Source: *Service Delivery Quarterly Monitoring Report, 2005*

Out of 1649 people with disabilities trained, Gauteng South had trained the highest number by far during this reporting period, that is 336 followed by Gauteng South with 278 and Limpopo with 274 learners. The North West Province only trained 231. Compared with the others, it means that the North West Province should focus on and pay attention to this target group as it is really underperforming towards this group. In this indicator the 3, 5 percent was achieved and this means the target of four percent was not reached (SQMR, 2005).

South Africa should learn from the practices of countries such as Cuba when addressing the skills training of people with disabilities. Cuba for example had moved from the principle of the smallest intervention with the biggest impact with regard to the disabled as the earlier the intervention the greater the impact. This was alluded to and emphasized by Fidel Castro, the Cuban President, when he said that “No society should allow any single citizen to disappear through the cracks” (Department of Labour, Cuban Visit Report, 2007).

Figure 2.4 below indicates the placement rate that was achieved by Provinces during the period April 1, 2004 to March 31, 2005.

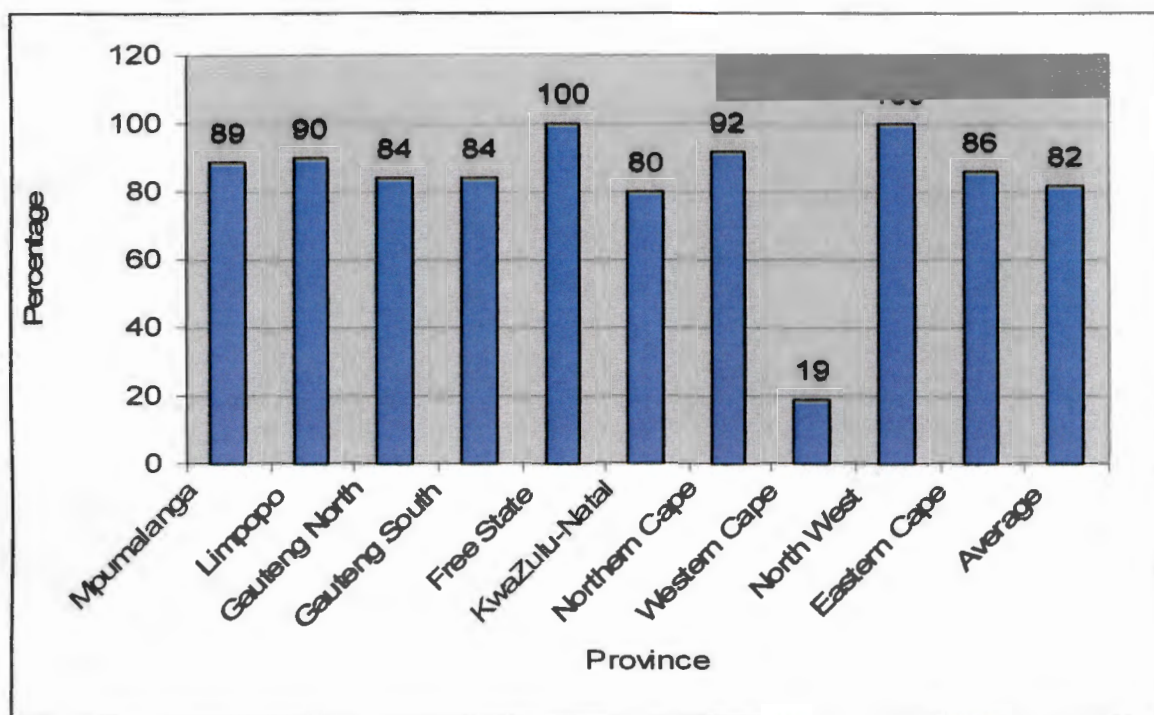


Figure 2 4: Placement rate per Province from April 1, 2004 to March 31, 2005
Source: *Service Delivery Quarterly Monitoring Report, 2005*

In reviewing the success indicator 4.2, which stated that “By March 2005, impact of the National Skills Fund is measured by project and duration including details of placement rates, which shall be at least 70 percent”. During 2004/2005 a total of 53 990 unemployed people were trained under the Social Development Funding Window of the NSF, of which 82 percent were placed in various sectors (National Skills Development Strategy Implementation Report April 1, 2004 –March, 31 2005: 42).

8.4.3.1 Achievements

The NSDS 2001-2005 had been a great success. Although this did not seem possible during the first years of the strategy, but substantial progress had been made in the years that followed. During his speech on the launch of the National Skills Development Strategy II (2005-2010) on the March 3, 2005, the Minister of Labour alluded to the fact that in terms of the training of unemployed persons on the Social Development Funding Window of the NSF, most of the indicators were achieved and exceeded they also stated that:

- Eighty one percent of the social development training money allocated in the NSF was spent and the placement rates were at 70 percent and the equity targets were met.
- The strategy also succeeded in ensuring that more and more Blacks and women were being empowered through the skills development initiatives and employment opportunities.
- The social development programmes rendered also brought many changes in the lives of the poorest of the poor. The initiatives proved to be sustainable in most cases.
- There were improvements in the participation of the SMMEs in the skills development initiatives and participation by large companies in support of training had increased (National Skills Development Strategy Implementation Report, April 1, 2004 –March, 31 2005: 45).

8.4.3.2 Challenges

It is fair to note that there were a number of challenges that were identified during the process. Many of the challenges revolved around the capacity of the implementing agencies to deliver on their obligations. The following are some of the challenges worth noting:

- Some of the reasons for the relative low spending rate and utilisation rate during 2004/2005 were as a result of the new contracting system that was implemented during the reporting period, which is from the old TUP to the new NSFDIS.
- The awarding of training contract under the new NSFDIS was very slow in start-up period, mainly because the Department's staff was not yet sufficiently acquainted with the new system.
- All the Training Providers who wanted to be considered for the training of the unemployed persons had to submit re-registration forms which also caused some delays.
- Department's Provincial Offices and the Labour Centres also had many ESDS vacant positions and once filled, the newly appointed staff had to be trained
- Even though people were trained, it was not easy to trace the learners to confirm their placement status.
- Some of the figures were aggregated and did not reflect performance per sector or Province. Though there was improvement of participation of SMMEs in skills development activities, the types of SMMEs and/or their industries could not be identified.
- There were still disparities in the performance of the Provinces. Some were performing extremely well whereas others were performing poorly.
- Communication and marketing of the NSDS needed to be enhanced.
- There were problems regarding the evaluation, selection and support system for learners during and after training had been completed.
- There was a need to develop an information system that will effectively provide requisite information at all levels of implementation for all stakeholders to access.
- People with disabilities targets were not achieved.
- Measuring the real impact of the strategy on economic growth and return on training investment needed to be done on a broader scale of organizations.

With the challenges mentioned above at hand and many others, the NSA introduced the second phase of the NSDS which extends over five years from 2005 to 2010. The NSDS 2005-2010 was developed after extensive consultation with various

stakeholders over a period of two years. The strategy aims to tighten up the gap the challenges realized during the previous strategy in order to maximise the impact.

8.5 The National Skills Development Strategy (2005-2010)

The National Skills Development Strategy 2005-2010 was launched on March 3, 2005. Its vision is still the same as that of the NSDS I, namely “Skills for sustainable growth, development and equity”. The mission being to contribute to sustainable development of skills growth, development of equity of skills development institutions by aligning their work and resources to the skills needs for effective delivery and implementation.

The new strategy is emphasizing the need to achieve the equity targets and to accelerate broad based Black economic empowerment (BBBEE) and Employment Equity (85% Black, 54% women and 4% people with disabilities, including youth in all categories).

(National Skills Development strategy 2005-2010).

8.5.1 National Skills Development Strategy (2005-2010) Objectives.

The National Skills Development Strategy objectives are spelled out in **Table 2.13** below.

Table 2.13: The National Skills Development Strategy (2005-2010) objectives

Objective	Success indicator by 2010
1. Prioritizing and communicating critical skills for sustainable growth, development and equity.	a) Skills development supports national and sectoral growth, development and equity priorities
2. Promoting and accelerating quality training for all in the workplace.	b) By March 2010 at least 80 percent of large firms and at last 60 percent of medium firms employment equity targets are supported by skills development. Impact on overall

Table 2.13: The National Skills Development Strategy (2005-2010) objectives
(Continued)

Objective	Success indicator by 2010
	equity profiles assessed.
3. Promoting employability and sustainable livelihoods through skills development.	c) By March 2010, at least 450 000 unemployed people are trained. This training should incrementally be quality assured and by March 2010 no less than 25 percent of the people trained undergo accredited training. Of those trained at least percent should be placed in employment, self-employment or social development programmes including (EPWP), or should be engaged in further studies. Placement categories of each to be defined, measured, reported and sustainability assessed.
4. Assisting designated groups, including new entrants to participate in accredited work, integrated learning and work-based programmes to acquire critical skills to enter the labour market and self-employment.	d) By March 2010 at least 125 000 unemployed people assisted to enter and at least 50 percent successfully complete programmes, including learnerships and apprenticeships, leading to basic entry, intermediate and high level scarce skills. Impact of assistance measured.
5. Improving quality of relevance of provision.	e) By March 2010 each SETA recognizes and supports at least five institutes of Sector or Occupational Excellence within public or private institutions and through Public and Private Partnerships where appropriate, spread as widely as possible geographically for the development of people to attain identified critical occupational skills, whose excellence is measured in the number of learners successfully placed in the sector and employer satisfaction ratings of their training.

Source: National Skills Development Strategy (2005-2010)

8.5.2 The Social Development Funding Windows of NSDS (2005-2010).

The NSDS 2001-2005 mandated the NSF to improve literacy for unemployed persons.

Pursuant to this mandate, the ABET Funding Window was established.

For the period 2005-2010 the following windows have been approved:

- Social Development Initiatives including the Expanded Public Works; Programme (EPWP);
- Adult Basic Education and Training;
- Critical Skills Support;
- Provisioning Support;
- Industry Support;
- Informal Sector Support;
- Constituency Capacity Building and Advocacy;
- Special Projects (that is Promotion of NSDS, Research, Supplementary; support for disability, Promotion of excellence); and
- Discretionary and Innovation projects.

The 2005-2010 Social Development Funding Windows are more advanced than the 2001-2005 funding windows and they cover aspects that were not accommodated for in the first funding windows, for example the Constituency Capacity Building and Advocacy, ABET and Critical Skills support to mention a few.

8.5.3 ESDS provincial workplan in relation to the NSDS (2005-2010).

In realizing the Unit's Key Responsibility Areas (KRAs), the ESDS Provincial staff and the ESP2's at the Labour Centres are expected to carry out their duties and tasks as set out in the Business Unit's workplan. The workplan is represented in **Table 2.14** below for easy reference.

Table 2.14: Employment and Skills Development Services (ESDS) workplan.

KEY RESULTS AREA	OUTPUTS	PERFORMANCE MEASURES	
		Time Frame	
1.1 Provincial Skills Development Initiatives aligned to Provincial Economic Development Strategies	1.1.1 Provincial Implementation plan updated, submitted and reviewed	Q2	1.1.1 PIP updated, submitted and reviewed (Budgeting timeframes)
	1.1.2 Provincial Development Structures operational	Q1-Q4	1.1.2.1 PSDF & PSC and other Skills Development For a operational 1.1.2.2 Regional Offices supported strengthening RDSC's.
	1.1.3 At least (70%) of the people trained through SDFW are placed.	Monthly	1.1.3.1 Demand Led training supported. 1.1.3.2 Hundred percent placement verified and statistics submitted
	1.1.4 Collaboration with at least (50%) of identified projects in the Nodal areas and EPWP achieved (Partnerships with lead Depts.)	Monthly	1.1.4.1 Fifty percent of identified projects in Nodal areas & EPWP supported 1.1.4.2 Partnership with lead department managed and reported on effectively.
2. NSDS 2005-2010 implemented	2.1.1 Beneficiaries supported by NSDS – (85%Black, 54% Women & 4% Disabled) and Youth	Q1-Q4	2.1.1.1 (85%Black, 54% Women & 4% Disabled) and Youth are trained.
2.2 EPWP and Development Nodes participants trained	2.2.1 Thirty percent of the SDFW allocated to EPWP/Integrated Sustainable Rural Development Plans (ISDP)/Urban Renewal Programmes (URP)	Q1-Q4	2.2.1.1 Support to EPWP/Integrated Sustainable Rural Development Plans/Urban Renewal Programmes prioritized
3.1 BBBEE and EE accelerated	3.1.1 Sixty percent of SDFW is allocated on BBBEE support	Q1-Q4	3.1.1.1 Support to at least 60% of NSF funds is allocated to BBBEE
5.1 ESDS systems effectively managed	5.1.1 NSFDIS effectively managed and implemented.	Daily	5.1.1.1 Hundred percent of verified projects correctly contracted
		Daily	5.1.1.2 Hundred percent of captured claims correctly checked

Source: Employment Skills Development Services Workplan, 2007

The Key Result Area one output 1.1.2 states that the provincial development structures should be operational this KRa emphasises on stakeholder networking through forums such as PSDF and RDSC's, and that the stakeholders should ensure that they are implementing and driving the NSDS 2005-2010 at local level effectively. In driving this strategy, all stakeholders should incorporate the skills development Initiatives priorities to the Accelerated and Shared Growth initiative for South Africa (ASGISA). The ASGISA is a partnership between the government and its social partners, which aims to facilitate and fast-track the attainment of level of economic growth that is expected to lead to employment creation.

At the same time, the structural deficiency in key to skills within the South African labour market has led to acknowledgement that training alone will not address the acute shortages exist. The Joint Initiative on Priority Skills Acquisition (JIPSA), itself a programme within ASGISA was introduced under the leadership of the Deputy President, Phumzile Mlambo-Ncuka to address those skills shortage identified as priorities. It was also seek to overcome them through a variety of means, including but not limited to training of South Africans, exchange programmes with other countries and temporary importation of skilled workers who may be charged with transferring those skills to South African workers to develop such capacity locally (Department of Labour, National Skills Authority, First Economy brief, May 2007: 5).

JIPSA coexist with the NSDS. The targets identified under the NSDS are consistent with the overall aims and objectives of JIPSA. At the same time, the specific sub-sectors have been prioritised for special attention and development under the auspices of JIPSA. They include, but not limited to:

- Engineering and planning skills for jobs in transport, communication and energy;
- Engineering projects for cities and towns needed by municipalities;
- Management and planning skills in education, health and municipalities;
- Teacher training for mathematics, science, information and communications technology and language skills;

- Business process outsourcing;
- Agri-processing; and
- Tourism.

In responding to the statements above the KRa two of the ESDS workplan, that is “Enhancing skills development” the NSDS 2007-2007 year three target implementation are aligned to ASGISA and JIPSA. In 2006 the NSF had allotted millions of rands on strategic projects in support of the PGDS and ASGISA to the Premiers’ Offices of all nine Provinces. North West was allocated 98 million Rand in support of training that targets strategic projects, these projects were said to be including those intended for the 2010 World Cup like, the upgrading of stadiums and SMMEs.

There are challenges still with regards to lack of proper consultation with DoL Provincial Executive Managers regarding the funding by NSF to the Premiers Offices. In the North West Province no training of unemployed people was reported on in the September 2007 Quarterly Monitoring report by the Premiers Office since the funds were allotted to them and they are charged to disburse the funds. Challenges with monitoring and evaluation are also hanging on who should be responsible between DoL and Office of the Premiers once training kick-starts.

9. PROGRESS OF TRAINING FUNDED THROUGH NATIONAL SKILLS FUND ON JOB CREATION IN THE NORTH WEST PROVINCE.

The North West Province is progressing well on the training of the unemployed people and in addressing the equity targets. Training as at September 30, 2007 was reported as follows in the Quarterly Monitoring report.

9.1 Training of unemployed persons.

A total of **R76 963 139.00** was allocated to the Province for the financial year 2007/2008 for the training of unemployed people. As at September 30, 2007, **R54 732 223.24** had been contracted to social development and Expanded Public Works projects and the spending rate was at **R15 334 210.00** (NSFDIS System: September 2007). **Table 2.15** depicts the total number trained as at September 30, 2007.

Table 2.15: Total of 5579 trained per target group as at September 30, 2007

Target group	Trained	%	Placed	%
Blacks	4018	72%	4018	100%
Females	883	16%	883	16%
PwD	45	0.8%	45	0.8%
Youth	633	11.3%	633	11.3%
Total	5579			

Source: Department of Labour, Service Delivery Quarterly Monitoring Report July – September 2007

The overall placement rate is at hundred percent because North West Provincial Selection Committee considers requests from stakeholders that are demand-driven and those that guarantee hundred percent placement rate, and all the 5579 people trained have been placed.

9.2 North West training and placement Categories in relation to Equity Targets as at September 30, 2007.

Table 2.16: below indicates the provincial equity target achieved as at September 30, 2007 as compared to the national targets

Table 2.16: National versus Provincial Equity targets

NSDS National targets	Provincial targets as at 30 September 2007
85% Black	72% Black
54% Women	30% Women
4% People with disabilities	1.1% People with disabilities

Source: Department of Labour, Service Delivery Quarterly Monitoring Report July – September 2007

9.3 Projects presented during November 2006 versus those presented during September 2007

Figure 2.5 below indicates the number of projects approved by the DoL Provincial Selection Committee during 2006/2007 financial year and those approved during 2007/2008 financial year as at September 30, 2007.

These projects were targeting unemployed and underemployed people in the social development or community projects. The projects were presented according to the nearest Labour Centre they were located in.

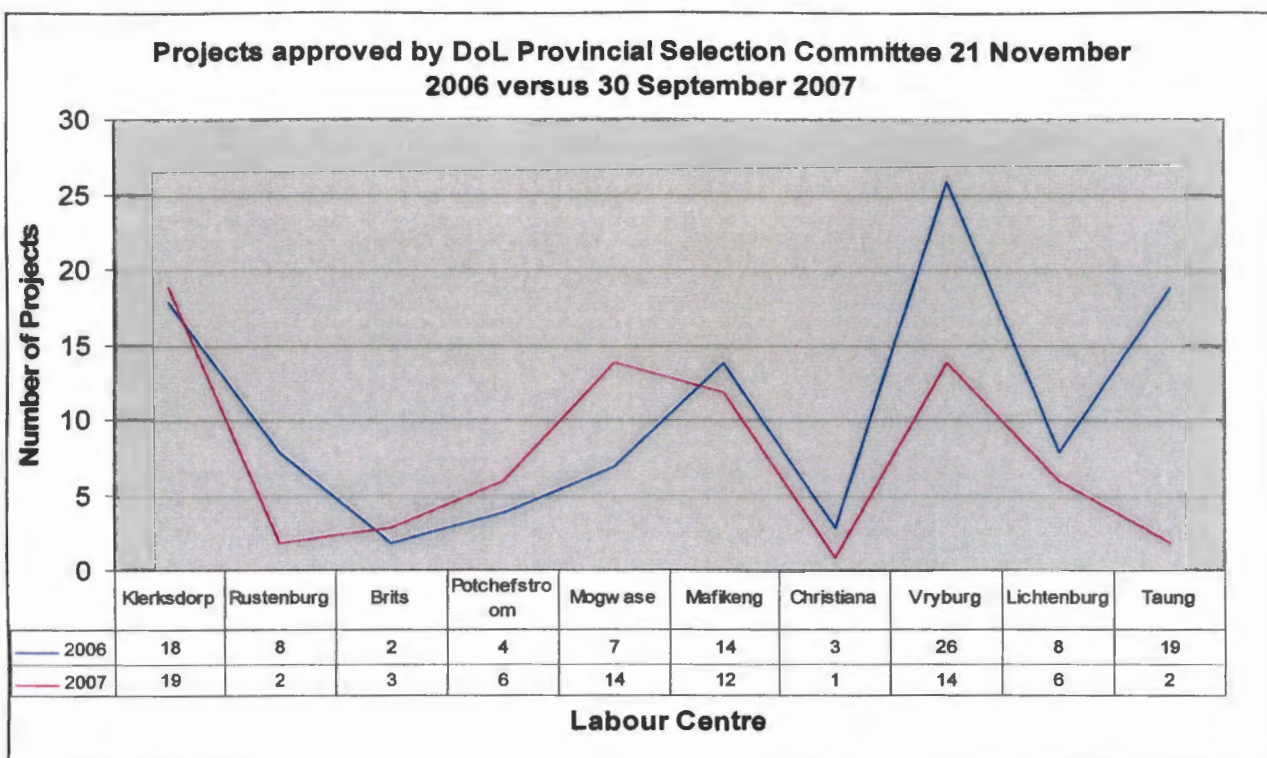


Figure 2.5: Projects presented during November 21, 2006 versus those presented during September 30, 2007.

Source: National Skills Fund Disbursement Information System, September 2007

- **Figure 2.5** above indicates that there was an improvement in the number of projects presented and approved from Mogwase Labour Centre at 14 as compared to the seven presented during 2006/2007 financial year.
- Klerksdorp Labour Centre presented more projects during this reporting period as opposed to 18 that were presented during 2006/2007 financial year.
- Vryburg Labour Centre was the leader during 2006/2007 financial year with 26 projects as opposed to 14 during the reporting period.
- During this reporting period September 30, 2007 more projects were coming from the Southern region especially Klerksdorp LC, followed by Mogwase LC in Bojanala and Vryburg in Bophirima LC at 14 projects respectively.
- The Central region was on average, and it was being boosted by Mafikeng LC.
- Projects were presented in small numbers from the following Labour Centres (starting from the least is Christiana, Rustenburg and Brits) and this was the case as in during 2006/2007 financial year.

- There could be more projects to be presented by the Labour Centres and approved by the DoL Provincial Selection before 2007/2007 financial year end, and these might result in more unemployed people being trained and accessing job opportunities.

9.4 Administration of learnerships.

The Skills Development Act (No. 97 of 1998) established new forms of training provision called learnerships and skills programmes. Learnerships lead to a qualification that is registered on the National Qualifications Framework. Completion of a learnership programme by a learner signifies work readiness. Learnerships are comprised of work experience component coupled with structured learning. In this way, they are intended to be more responsive to labour market opportunities. Skills programmes are credit bearing learning programmes which may or may not lead to a qualification (The Skills Development Act, No. 97 of 1998).

The Administration of learnerships is not a function of DoL Provincial Offices as it is in the case of administering National Skills Fund, but it is SETAs responsibility. The NSDS articulates a set of national priorities that are guided by both the needs of the labour market, as well as the political imperatives of government, such as promotion of training in the workplace, the prioritisation of employment equity, and the provision of assistance to the unemployed. SETAs are required to identify socio-economic, policy and technological trends within their sectors, translate these to skills development priorities, and find the alignment with the NSDS objectives.

A challenge faced by Department of Labour Provincial Offices and the SETAs is lack of co-ordination of efforts. SETAs are working in isolation when rolling out of the training programmes with the purpose of job creation in the Provinces. In the North West Province for example, the DoL Provincial Office is always informed by the National DoL or by other Provincial Departments that a certain SETA had implemented learnerships in the Province.

During the reporting period September 30, 2007, it was indicated that the Provincial Department of Education was in partnership with Information, Systems, Electronics, Telecommunications and Technology (ISSETT) SETA where 140 learners were required for an Information Communication and Technology learnership, and that the Mining Qualifications Authority required 20 learners on their engineering learnership. These arrangements were done without DoL Provincial Office knowledge. This situation leaves much to be desired on where they sourced the learners from, because they did not select from the unemployed workseekers database at the Labour Centres. It is against this background that SETAs, DoL and other partners within the Province should strengthen their relationships and should be in regular contact with each other in an effort to address the issues on job creation.

9.4.1 Learnerships versus apprenticeships.

The introduction of learnerships created some amount of uncertainty about the role and future of traditional apprenticeships with the skills framework. A perception was created that learnerships were intended to replace apprenticeships. As a result, the numbers of apprentices produced dropped significantly, contributing to the acute shortage of artisans, technicians and trades workers in the labour market as indicated in (Chapter 1). Redressing this phenomenon has emerged as one of the key priorities identified under JIPSA.

9.5 Employment Service System of South Africa

The Department of Labour had introduced a single Integrated Employment Services System (ESSA) during March 2007, it provides for an integrated and one-stop service for the citizens of South Africa. The service is supported by an IT (Information Technology) enabled system that is flexible, reliable and accurate. It was developed and to be implemented to ensure improved access to employment services to address the issues of placement, job matching.

As at September 30, 2007, in the North West Province 2602 people were registered (this include also unemployed people who are trained and placed in the social

development projects). For starters, hundred and eighty registered workseekers were matched and placed into the relevant job opportunities.

9.6 Small Business intervention and Active Labour Market Strategy (ALMS).

The Department of Labour had joined ventures with German Technical Co-operation (GTZ) in promoting entrepreneurial development in the provinces with the intention of promoting small business and entrepreneurs targeting youth. The first pilot was done in the Free State in 2005, based on its successes it will be rolled out to other provinces.

There are two types of policies that are commonly used in the Active Labour Market namely:

- Those that promote wage employment, generally through a combination of subsidized work placement and vocational training; and
- Those that encourage young people to become self-employed, usually involving a combination of training in business methods, facilitated by access to credit or grants and access to work space.

DoL and (GTZ) had adopted the latter policy with the purpose of promoting entrepreneurial spirit among youth, in developing their ability to address challenges in business skills development by learning to investigate and develop business ideas, and to learn the skills on how to get a business idea. The forms of assistance that will be offered to young entrepreneurs will be mentorship support, that is, informal advice and guidance from a person with good business experience and business networks that could help the young beginner.

In the North West Province, Vryburg has since been identified as the site for the pilot since 2005, submission of ideas were sent to DoL National Office in 2006 for approval but there is no response to this date (November 1, 2007) in terms of progress.

This might be a good idea in developing youth. The DoL should try to accelerate this process as the SMME development among the youth was often neglected. *This*

strategy might lead to self-employment and income generation. O'Higgings (2001: 109) criticise the strategy by stating that ALMS policies tend to help most is those already in a position to help themselves rather than concentrating on the most disadvantaged young people.

9.7 Successes

It could be deduced from the Equity targets that the Province is performing on average. By the end of the financial year 2007/2008 it would have exceeded the target of 85 percent blacks, 54 percent women and 4 percent people with disabilities trained. At the moment it is at 72 percent black, 30 percent women and 1.1 percent people with disabilities trained. Focus and attention should be given to People with disabilities, as according to history of allocations, the North West Provincial Department of Labour has not been doing well in making provision for target group.

More projects should also target women and youth. Women should have access to training and be assisted in accessing financial resources. McGrath et al; (2004: 151) also indicate that training in South Africa is still racially framed and much gendered. Many occupations remain male and white dominated and whites are receiving training in high skills occupations. They further went on stating that in 2000 about 71 percent of employees trained in the managerial and professional categories were whites, and only 16 percent were African.

Youth comprise of a quarter of the worlds' population. The involvement of today's youth in the environment and development decision-making and in the implementation of programmes is critical to the long term achievements. The DoL had been on average in training the Youth. The picture could not clearly reflect on how many were trained, out of 5579 total trained during the reporting period September 30, 2007, only 633 was reported on. The other number of youth were trained were said to be included in 4018 Blacks and 883 females and 45 people with disabilities trained.

9.8 Challenges

There is a challenge for example, the low spending rate by Training Providers that is experienced by the DoL Provincial Department. Allocations per regions are skewed and the PIP and other plans are not always updated or implemented when NSF allocations on training are made, hence the training is always focusing on the sectors like textile and hospitality, and these sectors are not of much importance to the Province. There are small numbers of People with disabilities that benefit from the NSF training. If the status quo remains the same, the disabled community as an economic and social sector of society will remain forever marginalised and vulnerable and reallocation of funds will be skewed like in the previous years.

The NSFDIS system that is currently used should be enhanced so that it could reflect the categories of people trained per the sectors. DoL Provincial ESSA system users had stated that the 2602 total might not be the actual numbers of unemployed workseekers registered. The numbers registered could be more but the system could not update the figures and information daily as it is supposed to be. Since the system is at its teething stage, suggestions and recommendations have been made to enhance it so that it could provide information as it is required. More achievements and challenges will be reflected on the next chapters after analysis on the responses given by the selected sample population has been made.

10. CONCLUSION

NSDS is in its second phase of implementation. Stakeholders could learn from the achievements and challenges experienced during the NSDS 2001-2005. The key observation about the new NSDS is that it has great potential to reverse the low skills levels. The greater networking between employers, education and training providers and government departments that is at the heart of the strategy should facilitate the participation of individual employers and entrepreneurs and hopefully increase their investment in and coordination of skills formation in South Africa.

For NSDS to make a difference it will require greater state intervention to turn around the structural inequalities in the labour market. Despite achieving relatively stable growth, unemployment has been coming down at a very modest pace. Equally, notwithstanding the focus that the skills development has received over the past six years, skills shortages have remained stubbornly widespread across all sectors of the economy.

In response, President Thabo Mbeki has committed his second term in government to the following targets:

- To halve poverty by 2014;
- To halve unemployment by 2014; and
- To ensure equity and redress across all levels of the socio-economic landscape by 2014 (North West Growth and Development Plan 2014, October 2004).

While South Africa has made great strides in political redress, much work remains to be done to ensure adequate and equitable participation of all in the economy and the labour market. Procedures and methods for gathering data will be discussed in Chapter 3.

CHAPTER 3

RESEARCH DESIGN

1. INTRODUCTION

This chapter will give a description of the procedures followed in testing the hypothesis. All stakeholders involved with the skills development issues, and those in partnership with DoL like for example unemployed trainees, Training Providers, SETAs and those in consultation with DoL like unemployed workseekers, DoL Employment and Skills Development Services officials among others will be approached to measure the impact of the training funded through the National Skills Fund on job creation.

The aim of the research undertaken was to assist the Department of Labour to improve its approaches when administering the National Skills fund, so that it can achieve the maximum impact on job creation and to improve its service delivery methods in future. The results can also be used to assist DoL to develop a workable operational model to improve their implementation, monitoring and evaluation tools on the training of the unemployed persons.

In this study, different methods of collecting data are discussed, and the advantages and disadvantages of such methods and designs are cited. The population size and sample size were given in (chapter 1) and they are discussed in detail in this chapter. Analysis of data is presented in chapter four.

2. RESEARCH DESIGN

2.1 Research design versus Research Method.

After having identified the research problem and the purposes of the research in chapter 1, the researcher went on applying the procedures to be followed to get to the most valid findings about the National Skills Fund's impact on the training of the unemployed persons in the North West Province

Bless and Higson-Smith (2000: 63) has this to say about research design: 'The first steps in constructing a good research design require the researcher to answer several questions about the research. These relate to the focus, the unit of analysis and the time dimension of the problem at hand'. In this sense the research design is the planning of activities to be carried out in a research.

The design chosen guided the researcher in collecting, analysing and interpreting observed facts, and in conducting the research project in line with the ethical principles outlined above. It gives the researcher an opportunity to alter the research strategy or choice of methods where it is appropriate (Saunders, et al, 2003: 132).

Saunders et al, (2003: 481) further distinguish methods from the design 'as the tools and techniques used to obtain and analyse research data, including for example questionnaires, observation, interviews, and stastical and non-statistical techniques; whilst methodology is the theory of how research should be undertaken, including the theoretical and philosophical assumptions upon which research is based, and the implications of these for the method or methods adopted'.

Some authors use the terms "research design" and research methods interchangeably or having the same meaning, while others attach different meanings to the two terms namely that research design includes strategies, steps in the process of research, approaches and methods.

Methods or methodology, on the other hand, refers to the methods only, for example the survey method, the case study methods, and the experimental method.

It could be concluded and agreed with the above statements that the two concepts have different meanings; design is all about planning and method as the type of research to be taken in a study.

2.2. The research approach

Both the quantitative and qualitative approaches were used in this study. “These two approaches are similar in that they add to the body of knowledge and truth” (Marcoux, 2002: 50). Integrity and appropriateness are concerns in qualitative and quantitative research.

The qualitative approach differs from the quantitative approach to the study of social and behavioural phenomena in its rejection of the argument that the aim and methods of the social sciences are, at least in principle, the same as the aim and methods of the natural and physical sciences. This means that the qualitative approach is more subjective in nature and involves examining and reflecting on perceptions in order to gain an understanding of social human activities (Hussey & Hussey, 1997: 12).

Quantitative inquirers on the other hand argue that both the natural and social sciences strive for testable and confirmable theories that explain phenomena by showing how they are derived from theoretical assumptions (Ary, Jacobs and Razavieh, 1990, 444). In this type of an approach emphasis is that data collected should be analysed numerically and the statistical tests be applied.

The goal of this research design was to validate an explanation or cause. The researcher had found it not difficult to determine the statistics from the sample population and to analyze data. The study was to quantify the placement and self-employment opportunities resulting from training. The qualitative part was to determine to what extent the NSF interventions contribute to unemployed people by improving their livelihoods and in accessing job opportunities.

2.3 The research method

An exploratory research was the relevant method used in this study. Bless and Higson-Smith (2000: 42) explain that 'the purpose of this research is to gain insight into a situation, phenomenon, community or person. The need for such a study could arise out of lack of basic information on a new area of interest'.

Research on the impact of the National Skills Funded training on job creation was never undertaken by the North West Department of Labour. No earlier studies were undertaken in the North West to which DoL Provincial Office and its social partners could refer for information about the issue or the problem.

A survey alternative type of the study was being undertaken for the research purpose. Saunders et al, (2003: 491) define survey research strategy "as a method that involves the structured collection of data from a sizeable population". Although this term "survey" is often used to describe the collection of data using questionnaires, it includes other techniques such as structured observation and structured interviews.

A survey in this study was preferred more than a case study because it does not emphasise the diverse aspects of a single case but rather the frequency or number of answers to the same question by different people in organizations or households. The case study on the other hand gives the detailed and thorough investigation of a few cases. The case study is more suitable for the qualitative approach.

2.4 The organization

The organization for the purpose of this study is the North West Provincial Department of Labour (DoL) that accounts to the National Department of Labour. DoL is an established organization, especially dedicated to play a significant role in reducing unemployment, poverty and inequality through a set of policies and programmes developed in consultation with its social partners (www.labour.gov.za).

2.4.1 The Department of Labour Provincial Office establishments.

The Provincial operations of the Department of Labour are divided into five business units mentioned below and they perform the mentioned functions:

- **Integrated Inspection and Enforcement Services (IES):** that coordinates activities of an integrated inspectorate that monitors compliance with labour laws.
- **Beneficiary Services (BS):** that deals with the payment of unemployment Insurance and Workers Compensation Funds.
- **Management Support Services (MSS):** that supports the Provincial Executive Manager with human, finance and other internal services.
- **Labour Market Information and Statistics Services (LMIS):** That collects and analyses relevant labour market information as well as monitor and evaluate policy implementation.
- **Employment and Skills Development Services (ESDS):** That coordinates and supports the implementation of NSDS objectives and other employment services functions (www.labour.gov.za).

As indicated in chapter one, the Provincial Office Business Unit: Employment and Skills Development Services (ESDS) was studied for the research purpose, because its main objective is to ensure that the employment services functions, the NSDS are effectively implemented at local level, and that the National Skills Funds are properly disbursed and managed.

2.4.2 ESDS Staff establishment at the Provincial Office and Labour Centres.

There are fourteen officials within the Business Unit at the Provincial Office based in Mmabatho, who specialise in different tasks assigned to them. The structure of Provincial ESDS Provincial Office is depicted in figure 3.1 below

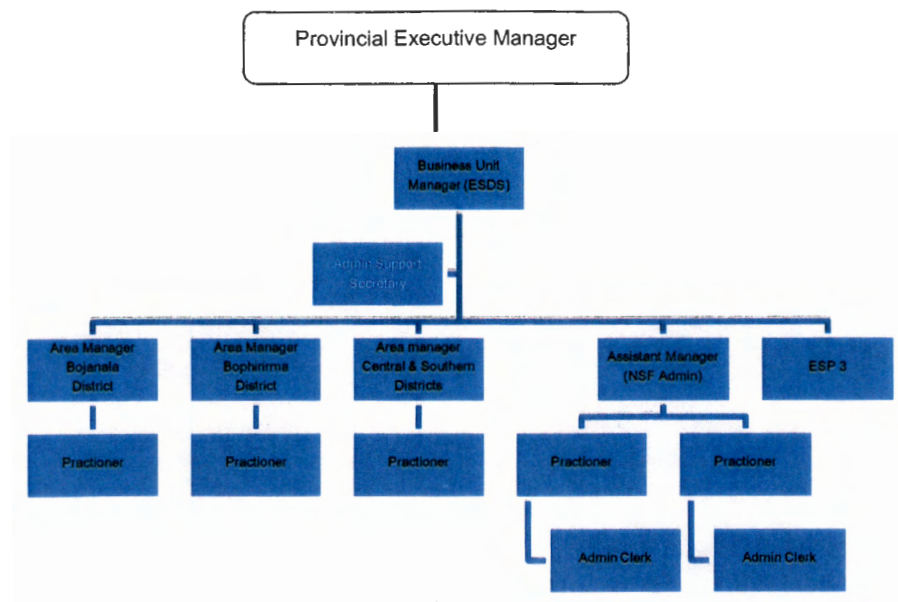


Figure 3.1: The ESDS Provincial Office organogram looks as follows:

Source: North West Employment and Skills Development Unit 2007.

Based on the above organogram, the functions of each official are:

- **Business Unit Manager**, his duties are to overseeing to the general management of the unit's workplan, and reports directly to the Provincial Executive Manager.
- **Administrative support secretary** is providing support and performing the secretariat duties for the Business Manager and the whole unit.
- **Assistant Manager (NSF-Administration)** is responsible for overall administration management of the unit, and giving support to both the Area Managers and the Employment Skills Practitioners II (ESP 2's).
- **The ESP 3 is giving** generic and functional support to all the LC's.
- **Area Managers** are responsible for providing support to the ESP 2's in carrying out the unit's services in their clusters. These clusters are listed in **Table 3.1** below.
- All **Practitioners and Administrative Clerks** give support on administrative tasks to the Area Managers and Assistant Manager- NSF.
- All **Employment and Skills Development Practitioners II (ESP 2's)** are based at DoL Labour Centres;

The Business Units' activities at the Labour Centres (LC's) are carried out by the Employment and Employment Skills Practitioners II (ESP 2's) who are reporting directly to the Labour Centre Managers or Regional Managers (RM's). The RM's are accounting to the Provincial Executive Manager (PEM). There are twelve ESP 2's based at different Labour Centres and the breakdown according to each LC is depicted in the **Table 3.1** below.

Table 3.1: Number of Employment and Skills Practitioners per Labour Centre

Labour Centre	Number of ESP 2's	Cluster
1. Mafikeng	2	Central/Southern Districts
2. Klerksdorp	2	
3. Lichtenburg	1	
4. Potchefstroom	1	
5. Brits	1	Bojanala District
6. Rustenburg	1	
7. Mogwase	1	
8. Vryburg	1	Bophirima District
9. Christiana	1	
10. Taung	1	
Total	12	

Source: Labour Market Information Statistics & Planning Report 2007

Both the Provincial Office staff and the ESP 2's duties were to ensure that the nine services of ESDS that were formerly used during the NSDS I were carried out and implemented at local level.

The nine services were to:

- i) Identify opportunities for self-employment and social development;
- ii) Develop skills for unemployed and under employed DoL clients for self-employment and social development;
- iii) Identify opportunities within the formal sector firms;
- iv) Identify threats within the formal sector firms;

- v) Refer and place learners in learnerships opportunities (new entrants);
- vi) Manage cross-border labour migration;
- vii) Ensure that service providers are able to offer appropriate skills to workseekers;
- viii) Ensure that private employment agencies are able to offer efficient and high quality service to workseekers; and
- ix) Provide Employment Support programme for people with disabilities.

(Department of Labour: ESDS Operations Manual, 2000: 16).

After the launch of the NSDS II in March 2005, the above-mentioned services were revised to respond promptly to the needs of the society with the purpose of improving service delivery at Provincial and local levels. These services were reduced to six and were implemented from April 2007. The new six ESDS services are:

- i) Service 1: Registration Services
- ii) Service 2: Career Guidance and Counselling.
- iii) Service 3: Recruitment, Selection and Placement Service
- iv) Service 4: Skills Development Services
- v) Service 5: Information Services
- vi) Service 6: Special Services

(Barongwa Consulting, Employment Service of South Africa Manual; 2006: 1).

2.5 The target population

The “target population” is a set of elements that the research focuses upon and to which the results obtained by testing the sample should be generalized (Bless & Higson-Smith, 1995:87). The total number of population for this study comprised of **483** people dealing with, and who are directly involved with skills development within the North West Province. Particular attention was given to Training Providers, unemployed trainees, unemployed workseekers, Department of Labour ESDS Provincial Staff, ESP 2's based at Labour Centres, SETAs, Provincial Government Departments, Business and NGOs. These categories of people are listed in table **3.2** below.

2.6 The sample

A sample comprised of 95 members derived from the population mentioned on 2.5 above. Trochim (20/10/2006) defines sampling as 'the process of selecting units for example people or organisations from a population of interest so that by studying the sample we may fairly generalise our results back to the population from which they were chosen'. The researcher agrees with the statement above that the sample is the group of people that the researcher selects to be in the study.

The sample intended for the quantitative study comprised of the unemployed trainees, unemployed workseekers, and Training Providers. Those targeted for the qualitative study were Department of Labour ESDS Provincial Staff, ESP 2's based at Labour Centres, SETAs, Provincial Government Departments and NGOs dealing with skills development activities and business. The sample population was broken down as follows:

- Ten Training Providers, both male and female who were contracted with the DoL North West Provincial Office and providing training, cutting across the ten DoL Labour Centres;
- Five trainees from each of the ten selected Training Providers, both male and female who were unemployed and under-employed, and were receiving training and also form part of the skills development projects;
- Ten unemployed workseekers one from each of the ten Labour Centres, both male and female who were registered on the DoL database;
- Five managers or officials, both male and female dealing with the Skills Development and Human Resources development issues within the Provincial Departments;
- Five officials from the SETAs;
- Two representatives from NGO's; and three from Business sector, in the Province;
- Five officials from Employment and Skills Development Services (ESDS) section based at the Provincial Office of DoL;
- Five Employment and Skills Practitioners based at the Labour Centres.

2.7 The sampling technique

The proportional stratified sampling was the relevant technique for the study. The principle of stratified sampling is to divide a population into different groups called strata, so that each element of the population belongs to one stratum, and each identifiable strata of population is taken into account (Hussey & Hussey, 1997: 147).

This sampling technique was preferred over simple random sampling because it assures that the researcher will be able to represent not only the overall population, but also key subgroups of the population, especially small minority groups like for example the NGOs in this research (Trochim ,20/10/2006).

Although many samplings are performed in this technique, this increases the availability of adequate lists and facilitates selection of a simple random sample without decreasing the quality of the sample in any way (Bless & Higson-Smith, 1995:91).

Within each stratum, the researcher performed simple random sampling by choosing the interval or systematic sampling method. In the systematic random sampling each unit in the population is identified, and it has an equal chance of being in the sample.

Like for example, when selecting the sample within each stratum mentioned in table 3.2 below the researcher applied the following formula:

$$K = \frac{N}{n} = \frac{\text{Size of population}}{\text{Size of sample}}$$

The above formula means dividing the total number of population in each stratum by the number that the researcher wanted to be in a sample (Bless & Higson-Smith, 1995: 91).

- **Trainees:** The starting element was between 1 and 5

$$K = \frac{250}{10} = 5$$

That means out of a total of 250 trainees, every fifth member was selected into the sample, and this resulted in a sample comprising of fifty trainees.

- **Unemployed workseekers:** The starting element was between 1 and 10

$$K = \frac{100}{10} = 10$$

That means out of a total of 100 unemployed workseekers, every tenth member was selected into the sample, and this resulted in a sample comprising of ten members.

- **Training Providers:** The starting element was between 1 and 6

$$K = \frac{60}{6} = 10$$

That means out of a total of 60 Training Providers, every sixth member was selected into the sample, and this resulted in a sample comprising of ten members.

- **DoL ESDS Provincial Staff:** The starting element was between 1 and 2

$$K = \frac{10}{2} = 5$$

That means out of a total of ten DoL ESDS Provincial Staff, every second member was selected into the sample, and this resulted in a sample comprising of five members.

- **ESP 2's:** The starting element was between 1 and 2

$$K = \frac{10}{2} = 5$$

That means out of a total of ten ESP 2's, every second member was selected into the sample, and this resulted in a sample comprising of five members.

- **SETAS:** The starting element was between 1 and 5

$$K = \frac{25}{5} = 5$$

That means out of a total of twenty five SETAs, every fifth member was selected into the sample, and this resulted in a sample comprising of five members.

- **Provincial Government Departments:** The starting element was between 1 to 2

$$K = \frac{10}{2} = 5$$

That means out of a total of five Provincial Government Departments, every fifth member of the trainee was selected into the sample, and this resulted in a sample comprising of five members.

- **Business:** The starting element was between 1 and 4

$$K = \frac{12}{4} = 3$$

That means out of a total of twelve business organisations, every third member of was selected into the sample, and this resulted in a sample comprising of three members.

- **NGOs:** The starting element was between 1 and 2

$$K = \frac{6}{3} = 2$$

That means out of a total of six NGOs, every second member was selected into the sample, and this resulted in a sample comprising of two members.

The sampling procedure above is simpler and quicker than the use of random tables, it improves the accuracy of the estimation. (Bless & Higson-Smith, 1995: 91)

Table 3.2 below will describe the characteristics of the sample by referring to variables relevant to the study.

Table 3.2: Characteristics of the sample under study.

Sample	Characteristics						
	Gender	Age	Disability	Job Category	Total	%	n
1. Trainees	Male and Female	16-65	Disabled and Non-disabled	Unemployed in projects	250	52	50
2. Unemployed workseekers	Male and Female	16-65	Disabled and Non-disabled	Unemployed on the DoL database	100	21	10
3. Training Providers	Male and Female	25-65	Disabled and Non-disabled	Managers	60	12	10
4. DoL ESDS Provincial Officials	Male and Female	25-65	Disabled and Non-	Managers and administrative staff disabled	10	2.0	5
5. ESP 2's at Labour Centres	Male and Female	25-65	Disabled and Non-disabled	Managers and administrative staff	10	2.0	5
6. SETAs	Male and Female	25-65	Disabled and Non-disabled	Education and Training Quality Assurers (ETQA's)	25	5.2	5
7. Skills Development Officials from Provincial Government Departments	Male and Female	25-65	Disabled and Non-disabled	Managers	10	2.0	5
8. Business	Male and Female	25-65	Disabled and Non-disabled	Managers	12	2.5	3
9. NGOs	Male and Female	25-65	Disabled and Non-disabled	Managers	6	1.2	2
				Total	483	100	95

2.8 Data collection methods.

The primary data gathering methods used consist of Interviews, administered questionnaires and observation. They were used to solicit information about the issues of the National Skills Fund on job creation and income generation. An interview allowed the researcher to have direct personal contact with the participants who were asked to answer questions. Simple observation method also called non-participant observation was also used in recording the events observed by the researcher when administering the NSF and when training was rolled-out. Questionnaires were studied to find out what the researcher was trying to learn.

2.9 Data collection instruments

Structured interviews were preferred. They were structured in the sense that lists of issues which have to be investigated were made prior to the interview. The list contained some precise questions, alternatives and sub-questions depending on the answer to the main questions.

Structured questionnaires in Appendix **A** were used for completion of questions by respondents, all interviews both one on one and telephonic ones. The questionnaires were based on a set of questions with fixed wording and sequence of presentation, as well as more or less precise indications of how the respondents were to answer each question (Bless and Higson-Smith, 2000: 107).

Self-administered questionnaires were filled by the respondents themselves; they were required to read and answer the same set of questions in a predetermined order without the interviewer being present. These were administered by the trainees, unemployed workseekers, Training Providers, Business and NGOs.

The scheduled structured interviews were strictly based on questionnaires with the same set of question as indicated in the first paragraph and as reflected in **Appendix A**. They were held with those who were interviewed on personal basis that is the Provincial Government Departments' officials and the telephone interviews were held with the SETAs. A questionnaire was presented to each responded in exactly the same way to minimize the role and influence of the interviewer and to enable a more objective comparison of the results (Bless & Higson-Smith, 1996: 107).

The methods used to get responses from each sample are also reflected on table 4.1 in chapter 4.

The secondary data was from obtained the policy documents from various public and private sector institutions. Journals, internet websites, books, major newspapers, and government publications that address job creation and job skills.

Statistics of the unemployed people trained and the money spent on training in the North West Province during the period 2000 to date were obtained from the National Skill Fund Disbursement Information System (NSFDIS) of the Department of Labour.

2.9.1 Advantages and Disadvantages of data collection and data collection instruments used

The techniques used helped to determine the frequency of certain answers and to find relationships between the answers to different questions. The responses from a number of participants were compared. The influence of the researcher was much less important and the recording of the answers were straight forward.

Telephone interviews were cheaper because the researcher managed to reach the SETAs representatives because most of them were operating from their offices were based in Gauteng Province.

Disadvantages of the simple observation in actual fact introduce biases by the very fact of the observed person's awareness of being observed (Bless & Higson-Smith, 1995: 105).

The disadvantages of both personal and telephone interviews are that they may introduce interviewer bias and sampling bias; and they are also costly in time and money. The interviewers have to spend a certain number of hours interviewing each participant separately and in this study; in this study the researcher had to travel extensively to all Labour Centres, Training Centres and to visit Provincial Government Departments to reach respondents. That is why the number that was intended for which is 95 was not reached.

2.10 Techniques of analysing data

Descriptive statistics were used to analyse the data. The aim of such statistical analysis was to identify the essential characteristics of a random variable and produce a profile of its behaviour. This was achieved through a summary of measures (Wegner, 2000: 5). Data was summarized into table format by counting the number of observations within each category of the random variable. These numbers were then be converted into percentages. These categories of totals were then be compared and contrasted graphically using Bar Charts, Pie Charts or Multiple bar charts.

Computer software such as spreadsheet programs, statgraphics or Harvard graphics were used to produce charts, graphs, and table presentations. Assistance was also sought from the LMIS business unit within the Provincial Office of the Department of Labour to assist with the analysis.

3. CONCLUSION

This chapter looked at the procedures and methods to be followed. Advantages and disadvantages concerning the data base, study population and instruments for gathering data were also highlighted.

The presentation of results and analysis on NSF and job creation will be discussed in chapter four.

CHAPTER 4

PRESENTATION, ANALYSIS AND INTERPRETATION OF DATA

1. INTRODUCTION.

The purpose of this chapter is to discuss and present the results and analysis of the respective responses to the questionnaires from different groups of people that is the DoL staff both ESDS Provincial Staff and ESP 2's at Labour Centres, other Provincial Government Departments, SETAs, Unemployed trainees, Unemployed Workseekers, Training Providers, and NGOs among others who were used in a sample.

Structured personal interviews were held with Provincial Government Departments' officials who are dealing with skills development issues and NGOs, and telephone interviews were held with the SETA officials who are assigned and deployed to work in the Province by their respective SETAs. All of them do not have satellite offices in the North West Province but were operating from their offices based in Gauteng Province.

Self-administered questionnaires were distributed to DoL, ESDS Provincial staff, ESP 2's, Training Providers, Unemployed trainees trained by these Training Providers, and some were distributed to different Labour Centres where registered unemployed workseekers were requested to provide responses. All respondents, including those interviewed, were requested to read and answer the same set of questions based on the impact of the National Skills Fund on job creation in the North West Province.

Data was summarized into table format by counting the number of observations within each category of the random sample. Computer programmes such as Microsoft excel were used to analyze data to produce charts and graphs. Assistance was also sought from the LMIS business unit to assist the researcher with the analysis.

2. SURVEY RESPONDENTS.

Out of 95 distributed questionnaires only 81 responses were received, which resulted into 85 percent response rate.

Five telephone interviews were held with the Manufacturing and Engineering Sector Training Authority (MERSETA), Construction Education and Training Authority (CETA), Agricultural Sector Training Authority (Agriseta), Information Systems Electronics, Telecommunication and Technology (ISSETT) SETA and Mining Qualification Authority (MQA), and three personal interviews were held the Office of the Premier HRD official, Provincial Departments: Agriculture and Developmental of Education.

Table 4.1: Categories of people who had responded to questions.

Target group	Number of responses	%	Dis-ability	Non-disabled	Data Collection Method
1. Unemployed trainees	45	55,6	1	44	Self-administered questionnaires
2. Unemployed Workseekers	8	10	-	8	Self-administered questionnaires
3. Training Providers	10	12,3	-	10	Self-administered questionnaires
4. DoL Provincial Staff	5	6,2	-	5	Self-administered questionnaires
5. DoL Employment and Skills Practitioners	4	5	-	4	Self-administered questionnaires
6. SETAs	5	6,2	-	5	Telephone interviews
7. Provincial Government Departments	3	4	-	3	Personal interviews
8. NGO	1	1,2	-	1	Self-administered questionnaires
9. Business	0	0	-	0	Self-administered questionnaires
Total	81	100	1	99	

Note: n = 81

The 85 percent response rate resulted from the unemployed trainees which accounted for 55, 6 percent, unemployed workseekers at ten percent, Training Providers at 12, 3 percent, DoL ESDS Provincial Staff and the SETAs both accounted for 6, 2 percent respectively, DoL Employment and Skills Practitioners at five percent, NGOs at 1, 2 percent and no inputs were received from the Business sector.

3. RESPONSES TO THE IMPACT OF THE NATIONAL SKILLS FUND ON JOB CREATION IN THE NORTH WEST PROVINCE.

All questionnaires comprised of Part A and Part B as reflected in Appendix A. Part A of the questionnaire required all the respondents to provide information on demographics, that is gender, age group, highest level of education, populating group, disability, job title, employment history. Part B of the question focused mainly on economic sectors they were trained in, they were also expected to indicate the success, and challenges of the National Skills Fund training interventions on job creation in the Province. Other respondents except for the Unemployed trainees and unemployed workseekers were also expected to rank the above subject matter from scale 1 to 5 where 1-2 were for poor and fair, 3 average and 4 and 5 were for good and excellent. The information is saved in the computer software for future reference.

Unemployed trainees.

Figure 4.1 below depicts a number of trainees by gender that are currently at social developments projects and are receiving or had received training funded by the DoL. Out of the 50 trainees targeted as reflected in table 3.2 in the previous chapter, only 45 trainees as reflected in table 4.1 responded to questions which resulted in a 90 percent response rate.

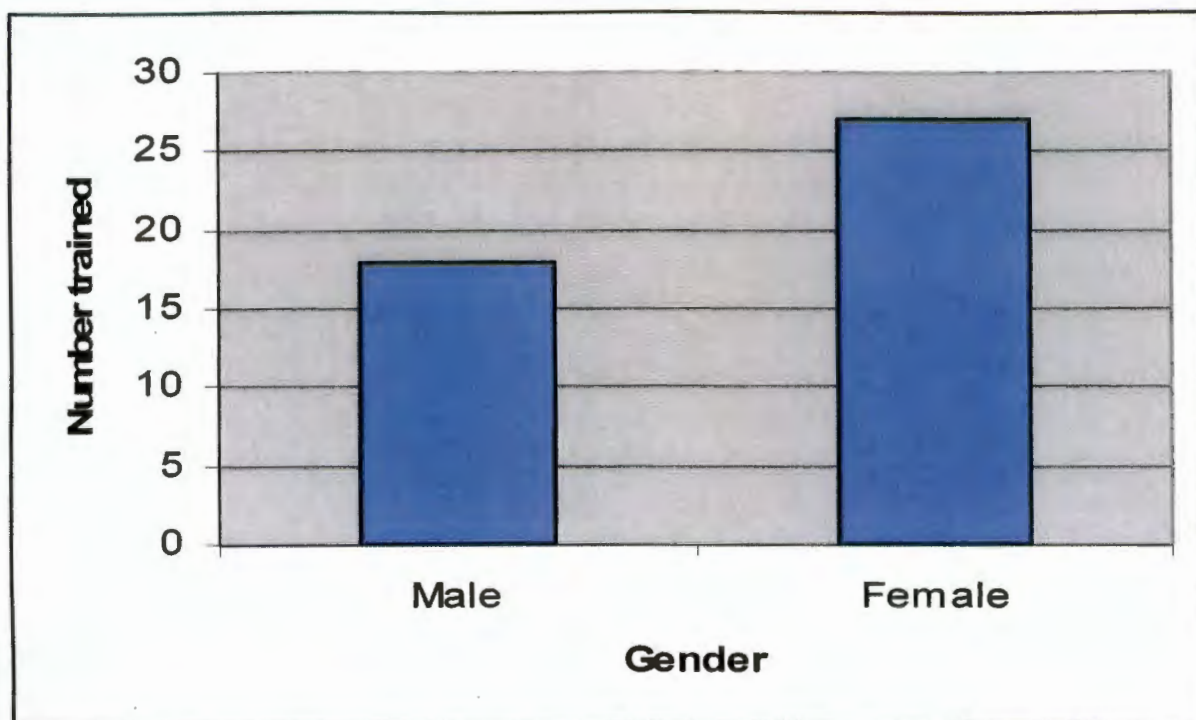


Figure 4.1: Unemployed trainees trained by gender

Figure 4.1 shows that most people receiving training were predominantly females at 60 percent as compared to males at 40 percent. This figure shows that the North West Department of Labour was performing well in terms of empowering women since this group was previously disadvantaged as was indicated in (chapter 1).

There is a slogan that is commonly used by South Africans during rallies and Government Imbizo's that says "Empower the women, empower the nation". DoL Provincial Office should be applauded in its approach of giving preference to women, and it has moved from the perception whereby the public sector training was criticized for being "gender blind" which was part of a wider problem of mainly male policymakers simply 'not seeing' women (Acher: 25: date unknown).

Figure 4.2 on page 92 below will go beyond indicating unemployed trainees trained by age.

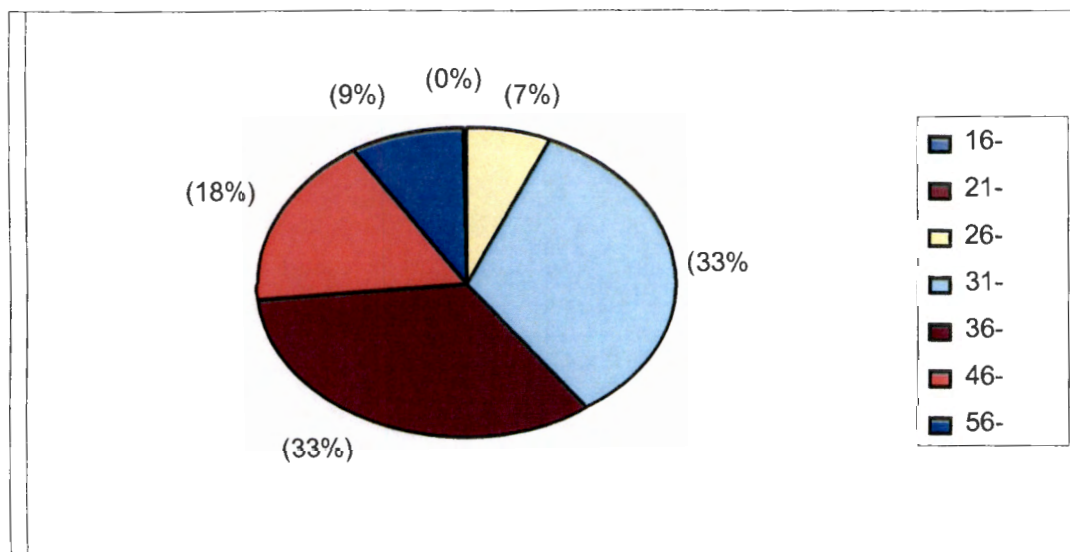


Figure 4.2: Unemployed trainees trained by age

Figure 4.2 shows that the majority of the people receiving training were between the age of 26 to 30 and 31 to 35 at 33 percent respectively. These groups were comprised of mainly youth. Eighteen percent of the trainees who have received training are between the age of 46 and 55 and the least recipients are between the age of 26 and 30 at seven percent, this group at seven percent might fall within the youth mainstream. North West Department of Labour and its social partners also need to be complimented here because 71 percent training is targeting the youth.

Youth as argued in the African Youth Charter should have the right to gainful employment. States Parties should ensure that there are greater linkages between the labour market, education and training systems to ensure that the curricular are aligned to the needs of the labour market and that youth are being trained in the fields where employment opportunities are available or are growing (African Youth Charter, 2006:25)

More than half the number of the trainees have studied up to secondary schooling at 51 percent and the average proportion of people have gone up to post matric qualification at 22 percent. Those who have gone up to primary schooling are at 18 percent and least at nine percent have no schooling. See Table 4.2 below

Table 4.2: Number of unemployed trainees by educational level

Educational level	Number	Percentage
No schooling	4	9
Primary Schooling (grade 1-7/Sub A - Std 5	8	18
Secondary Schooling (Grade 8-12/Std 6-10	23	51
Post Matric Qualification	10	22
Total	45	100

Fifty one percent of the trainees who have gone up to secondary schooling could result from the premise that most of them have just matriculated, and were looking for employment opportunities or awaiting to be enrolled at tertiary institutions. This situation poses a serious challenge to DoL and the SETAs, and the Department of Education more so that they should create more opportunities to this group because the majority of them are youth, these could be realised through developing more learnerships programmes and injecting more funds towards training so that they can acquire skills that will result in them being employable.

Figure 4.3 below indicates the number of trainees trained by race/population group.

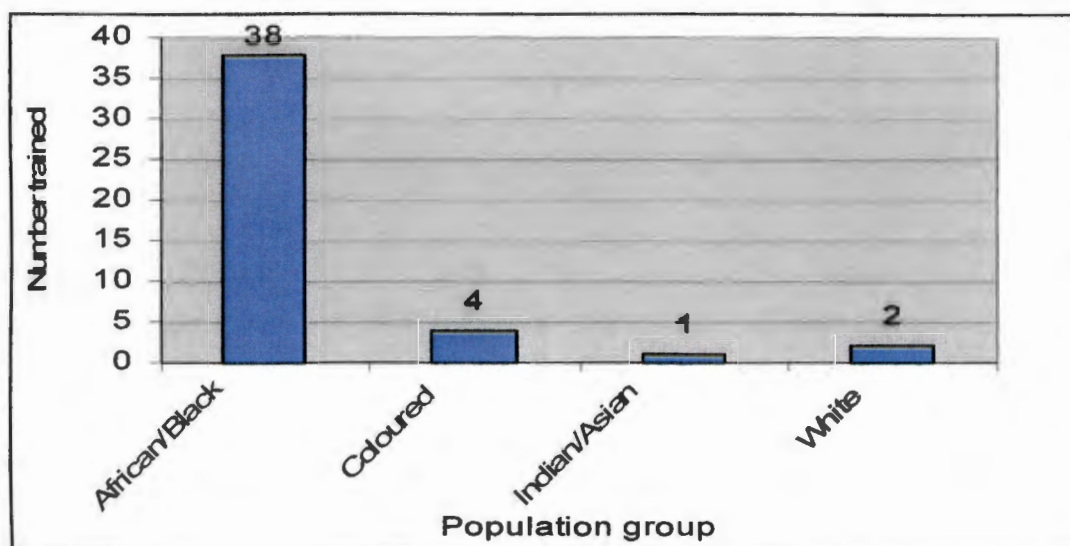


Figure 4.3: Unemployed trainees by population group

According to the findings, most people trained were Blacks at 84 percent; followed by Coloured at nine percent, five percent Whites and two percent were Indians. In relation to the NSDS targets that 84 percent should be Black, the North West Province had reached the target and this could be exceeded in future.

According to the findings, most of the trainees 60 percent had never worked before or were employed for a minimum of five years, and 40 percent were unemployed for about six to 10 years. All of them were receiving training and were engaged at social development projects to acquire skills to generate income and to access formal employment opportunities if they do arise.

Figure 4.4 below also indicates the non-disabled trainees trained as opposed to the disabled trained, the figures are also illustrated in percentages. According to the findings, out of 45 trainee responses, 44 were non- disabled and one was disabled. .

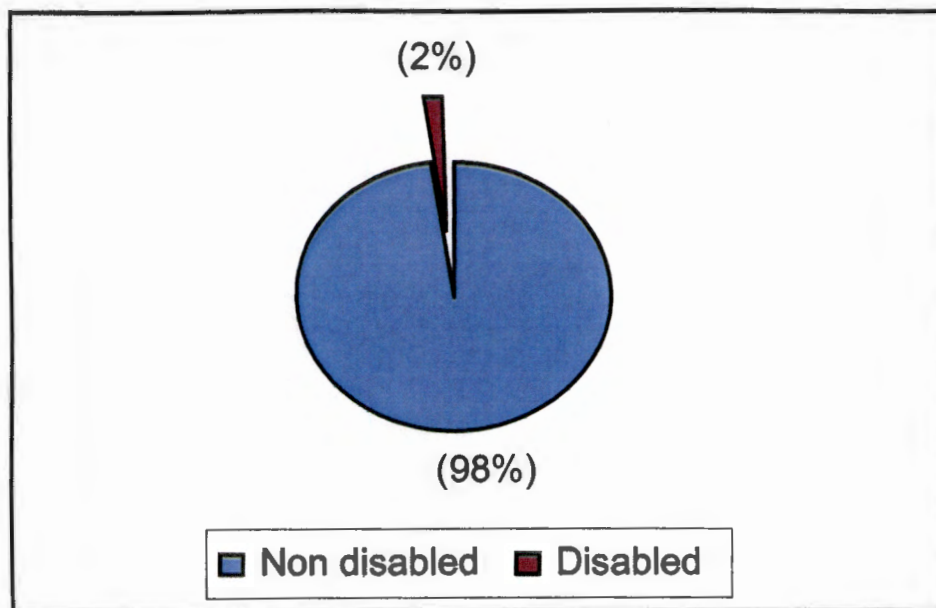


Figure 4.4: Disabled versus non disabled trained.

The non disabled trained accounted for 98 percent as opposed to two percent disabled trained show that the Province is still lagging behind on the training of the unemployed disabled persons; this situation remains a challenge to DoL and its social partners. It shows that they should start giving this target group attention and try to identify needs that could be addressed so that they could also benefit from training.

Figure 4.5 below indicates number of unemployed trainees trained per sector.

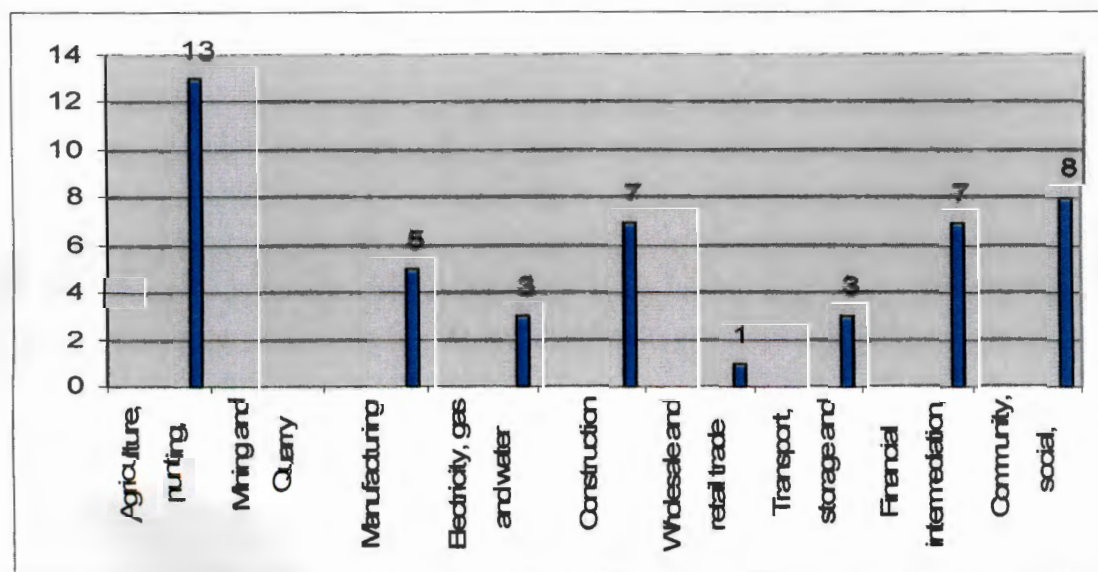


Figure 4.5: Unemployed persons trained per sector.

Figure 4.5 shows that the highest number of trainees were trained in the Agricultural sector, followed by social sector, construction and financial sectors respectively. The researcher who is the Assistant Manager NSF Administration in the DoL Provincial Office justifies that most of the courses offered in the social sectors were those of clothing and hospitality, and those that fall finance were entrepreneurial skills (that is short courses such as Financial management, Basic Business Skills and How to start your own business). According to the findings, the Province has at least given priority and focus in addressing the skills in the agricultural sector, this sector is the most dominating one in the Province. Mining sector that has been regarded as one of the largest sector in the Province has never benefited from training offered by DoL.

3.2. Training Providers

Training Providers engaged were those who were contracted with and are on the DoL database. This group of respondents comprised of both emerging and leading Training Providers. The survey targeted both groups of Training Providers and all of them responded, this means that the response rate was 100 percent.

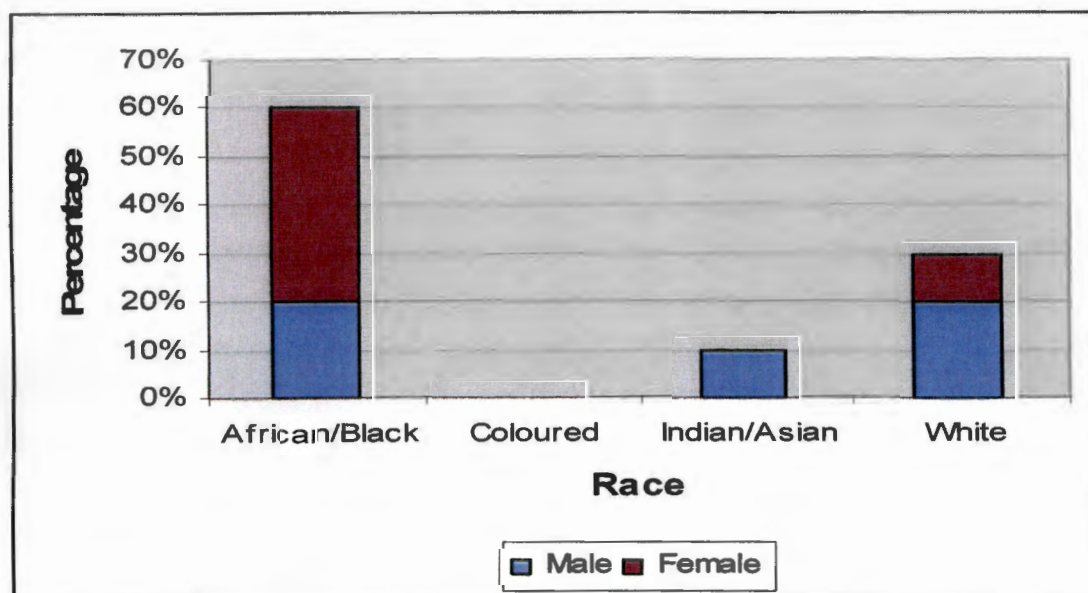


Figure 4.6: Training Providers by Gender and Race.

The findings reveal that out of 10 the Training Providers who responded, Black females constituted the highest percentage of Training Providers accounting to almost 40 percent, followed by both Black and White males at 20 percent each, the least being both White females and Indian males at 10 percent each. The figure reflects that Indian Training Providers were the least contracted, and that there were no Coloured Training Providers contracted. This figure reflects that the North West Provincial Department of Labour has allocated 60 percent of their National Skills Funds in support of Broad Based Black Economic Empowerment (BBBEE), meaning that they have met the 60 percent target as set out in their ESDS workplan in empowering and contracting more Blacks into their system.

Part B of the questionnaire required the Training Providers to rank the subject matter on a scale of 1 to 5, where 1 was (Poor), 2 (Fair), 3 (Average), 4 (Good) and 5 (Excellent).

The responses are depicted in **Figure 4.7** below.

Figure 4.7: Response to questions by Training Providers.

The majority of the Training Providers ranked themselves average, that is 80 percent of them had indicated that they were complying with DoL requirements and legislation. They had also indicated that their Training Centres and Instructors were average. They have also reflected that the most of the training was demand-driven at 80 percent. Fifty percent reflected that their training was not accredited and 40 percent have indicated that their training was accredited, and short courses by DoL were 100 percent outcomes based.

Hundred percent placement was guaranteed. It was also reflected that training is on average in addressing the issues of equity, 50 percent had indicated that communication was poor and that no after-care was provided to trainees after completion of training and when the projects end. They had also reflected that the dispute resolutions were not in place and that their performance is not rewarded.

They reported that learner's co-operation and attendance was good since the introduction of learner allowances by DoL during May 2007. The learner allowances were introduced to contribute towards the meals and transport costs for unemployed people who are receiving training under the SDFW. The approved daily learner allowance amounts to R30 per trainee day.

3.3 DoL Provincial ESDS Staff, DoL ESP 2's, SETAs, Provincial Government Departments and NGOs

The Department of Labour had formed partnerships with other stakeholders such as the SETAs, Provincial Government Departments, and NGOs among others in ensuring that it attains its objectives on contributing to employment creation and enhancing skills development.

Figure 4.8 below depicts how each group of respondents perceived the implementation and roll out of training in the North West Province.

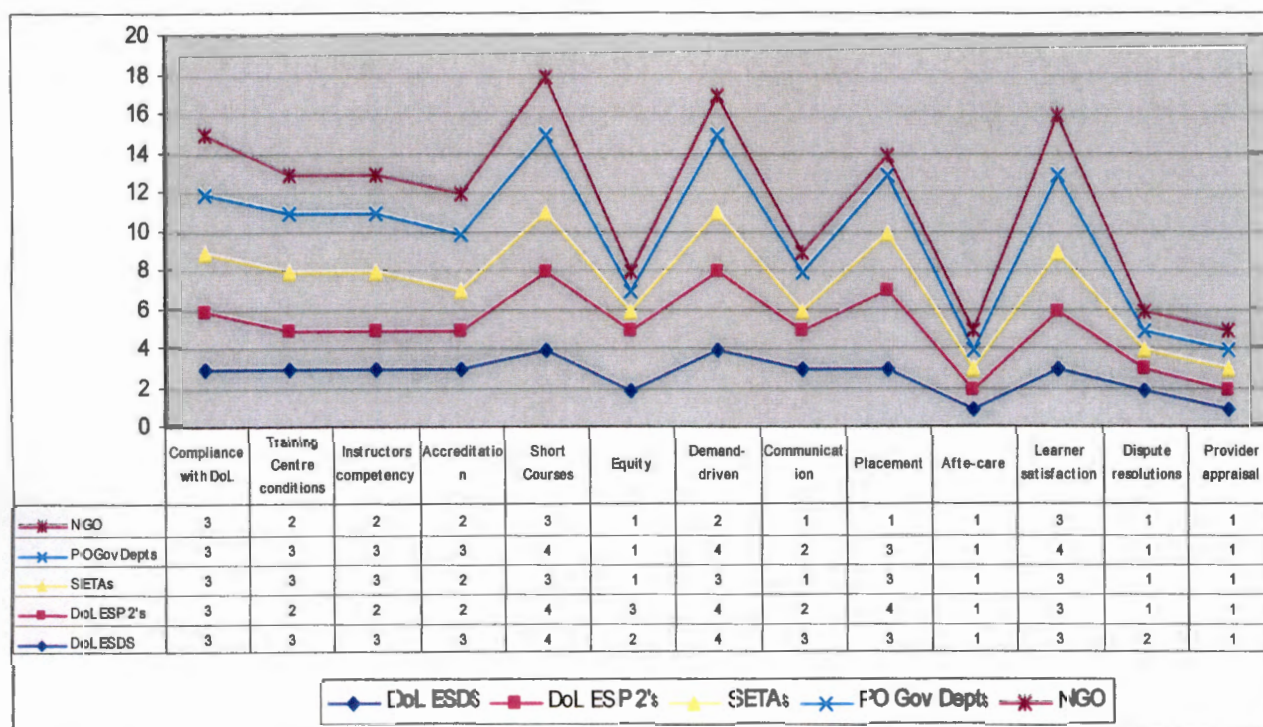


Figure 4.8: Responses by Department of Labour Provincial Employment and Skills Development Services staff, Department of Labour Employment and Skills Practitioners 2's, Sectoral Education and Training Authorities, North West Provincial Government Departments and Non-Governmental Organizations. (n =81)

Eighty three percent of the respondents were of the opinion that all Training Providers contracted with the DoL were complying with the DoL requirements and legislation, and both training centres and instructors' competencies at 72 percent, were found to be in good condition.

Sixty seven percent felt that the training offered was accredited. The graph picked up on short courses, where the majority felt that short courses by DoL were 100 percent outcomes-based. It also picks up at 94 percent where it was indicated that the training offered is demand-driven and was addressing equity issues fairly at 44 percent.

Most of the respondents felt that placement of trainees was good at 78 percent because most of them were guaranteed to be placed at projects from the periods

between three to 24 months and from there, trainees might choose to be self-employed or open their own SMMEs. Communication between stakeholders was perceived as being on average i.e. 50 percent and that learners were satisfied about the training they were receiving.

The graph also drop down at after-care by 28 percent where it was indicated that the strategies were poor, and stakeholders do not provide such after completion of training or when projects end. It went on dropping down at dispute resolutions by 33 percent and Training Providers appraisal by 28 percent where it was reflected that such mechanisms were poorly implemented or were not in place at all.

3.4 Unemployed Workseekers

The respondents were to answer questions that were aimed at evaluating their satisfaction with the DoL services with special reference to placement and self-employment opportunities that could result from training. The aim of the survey was to inform the DoL more especially the ESDS Business unit to improve its marketing strategy on NSDS and training opportunities in future.

Out of 10 workseekers only eight had responded, and this has resulted in 80 percent response rate.

Figure 4.9: Number (in percentages of workseekers) who had approached the DoL for services they had required.

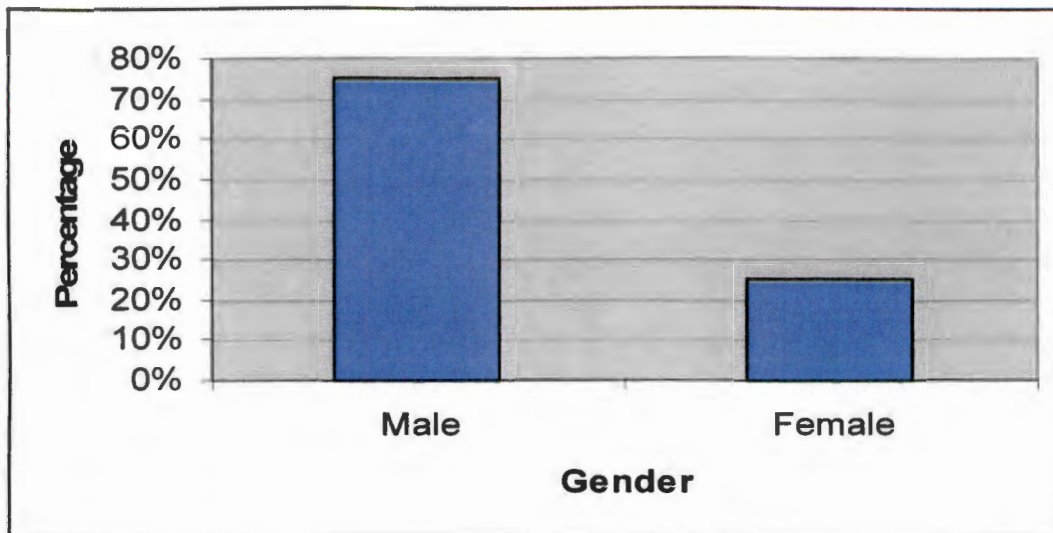


Figure 4.9: Registered unemployed workseekers by gender.

Figure 4.9 indicates that the majority of people who approached the DoL to require services were predominately males at 75 percent as opposed to females at 25 percent.

Figure 4.10: Registered unemployed workseekers by age.

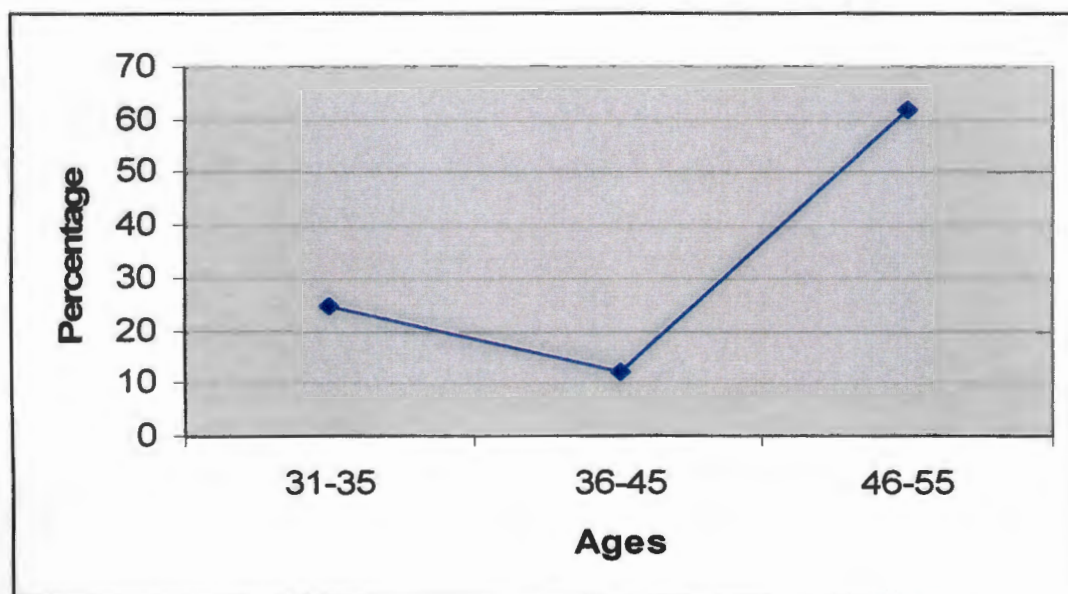


Figure 4.10: Registered unemployed workseekers by age

Figure 4.10 shows difference between the ages of unemployed workseekers. Hundred percent of the unemployed workseekers who had responded were Blacks. A high number of unemployed workseekers were reported to be between the age of 46-55 at

62, 5 percent, followed by those between the age of 31-35 at 25 percent and the lowest being those between the age of 36-45 at 12, 5 percent.

Of the eight unemployed workseekers who came to require for services at DoL, 50 percent of them came to apply for Unemployment Insurance Fund (UIF) benefits and 37,5 percent to register as workseekers and 12,5 percent were to lodge a complaints about their employers. The findings reveal that 75 percent unemployed workseekers only have knowledge about UIF services as compared to other services rendered by DoL. Those who knew about Inspection and Enforcement Services that deals with labour relations issues and Workman's Compensation were both at 12, 5 percent; and 12, 5 percent only knew about training opportunities from friends and most of the questions were not answered satisfactorily.

The majority of the unemployed workseekers at 87, 5 percent as opposed to the minority group at 12, 5 percent had reflected that the DoL has not done much briefings and campaigns on training issues, and 62, 5 percent had indicated that they are not satisfied with the DoL's consultation in terms of training opportunities and 62,5 percent rated DoL's services as being poor.

3.5 Respondent's answers to other questions that form of Part B

These questions were aimed at soliciting information from the respondents on how they perceive the implementation of training funded through the National Skills fund on job creation and self-employment. Respondents were required to give motivation to their responses.

3.5.1 Unemployed trainees.

3.5.1.1 Accredited versus non-accredited training

Most of the trainees responded that 60 percent of the training offered is accredited, that is credit bearing courses and 40 percent was non-accredited. The non-accredited courses were the DoL short courses that were not credit bearing and were not aligned to NQF. The 53, 3 percent who were receiving accredited training were certain that the certificates will be nationally recognized and 4, 4 percent were uncertain whether qualifications obtained through training will be recognised. Those who were receiving the non-accredited training reported that the training offered does not lead to a nationally recognised qualification.

3.5.1.2 Learning environment.

The trainees have responded in majority that is 96 percent that the learning environment in most of the training centres is conducive for learning to take place, and 89 percent of them have indicated that the instructors are qualified to conduct the training and 11 percent of them were not satisfied about some instructor's competencies. Trainees have also indicated that the DoL is monitoring the training by the Training Providers fortnightly or weekly which constitute 98 percent of monitoring, and the SETAs and other partners were doing two percent of the monitoring.

3.5.1.3 Placement, Self-employment opportunities and after-care.

Ninety eight percent of the trainees have indicated that the skills that they will acquire through training will lead to their employability and income-generating opportunities because most of the projects they were engaged in were supported by other Provincial Departments and stakeholders financially to sustain themselves. 100 percent placement rate was guaranteed for the periods between three to 24 months, and other projects were ongoing as they will be selling products produced from their projects to generate income. There was a likelihood that the skills acquired also will make them more competent and productive, and some had cited that they will gain experience that

is required in the formal sector, and the certificates obtained through this training will enable them to study further. Some had indicated that when some projects end, they will seek financial assistance from other stakeholders who could assist them to open their own small medium and micro enterprises to generate income.

Other trainees comprising of two percent were not sure whether they will land in any job opportunities. Eighty nine percent placement was said to be in the informal sector, seven percent at the formal sector and four percent being self employed.

Other comments were that the DoL should try to match and place them in any form of employment through the newly established ESSA system that was mentioned in chapter two.

3.5.2 Training Providers, DoL Provincial ESDS Staff, DoL ESP 2's, SETAs, Provincial Government Departments and NGO.

3.5.2.1 Constraints that could slow or stop the projects.

There was a general feeling among all stakeholders mentioned above that, the factors that could slow or stop the training could result from:

- Proper skills audit not conducted to match the needs of projects.
- Project initiators do not recruit and select suitable trainees in their projects.
- Lack of funding to support projects to sustain themselves; and Providers who do not have start-up capital to can start immediately with the training.
- Lack of commitment from stakeholders to monitor the training and projects.
- Unavailability of resources such as equipment and materials.

3.5.2.2 Skills alignment to economic development of the regions.

Most projects whose training needs are addressed through the NSF are said to be in line with the economic developments of the regions in the sense that they are informed

by the District Development Strategies, Provincial Growth and Development Strategy, the Provincial Implementation Plans and the Integrated Development Plans. Projects are designed in such a way that the needs talk to both the regional and Provincial initiatives.

Some felt that the skills were not in line with the economic development of the regions due to following factors:

- The DoL seems not to be addressing the skills according to the economic development of the Province and Provincial Skills Plans, most of the sectors catered for through this training were those of Agriculture, textile and hospitality and major sectors like mining, tourism and manufacturing were often neglected.
- Most Provincial Government Department felt that people were trained for the sake of training and to spend the budget allocated them.

3.5.2.3 Interrelated projects at regions that will impact on the existing projects.

Similar projects by other stakeholders with the same intention and objectives might result in duplication of efforts and over supply of the same skills.

There is always a possibility that one project initiated can go on creating another small project e.g. SMMEs

3.5.2.4 Placement, Self-employment opportunities and after-care.

Most respondents believe that skills developed through the NSF training will be needed in future and the beneficiaries of training will be in sustained employment and self-employment opportunities because most of the training funded by DoL is demand-driven and guarantee 100 percent placement.

Others argue that people will battle to find jobs or self-employment opportunities if the DoL keeps on addressing skills in the textile sector because they believe that in such a sector, the markets are saturated and there is over-supply of skills.

That The Government seem not to be assisting and funding the SMMEs

3.5.2.5 Improvement of training and NSF.

Most respondents felt that training and NSF could be improved and have direct impact and bear the desired results if the following could be addressed:

- When training is conducted in accordance with the North West labour market and Provincial economic growth and development needs as spelled out in the PIP and IDPs.
- Training should focus more on the dominating sectors such as Mining, Agriculture and Manufacturing where more job opportunities could emerge.
- More training programmes should be created to accommodate People with Disabilities.
- SETAs, DoL and other partners should jointly co-ordinate their efforts and monitor and evaluate the progress on training closely.
- SETAs, DoL Provincial and National Offices should decentralize some of their activities at the level of the Labour Centres where implementation takes place for all people to benefit.
- The DoL should align its short courses to SAQA and NQF to guarantee learner accreditation.

- SETAs should come up with more learnership programmes targeting scarce and critical skills, and implement these together with DoL to achieve the most results.
- More focus should be given to rural areas because the North West Province is mostly rural.
- SETAs and DoL capacitate both emerging and existing Training Providers and continuous evaluation should be conducted to ensure compliance and quality assurance.
- DoL and SETAs to make provision for Mining courses that will benefit the unemployed people in the Province.
- DoL National Office should enhance both the NSFDIS and ESSA systems.

3.5.3 Unemployed workseekers' answers to other questions that form part of Part B.

The unemployed workseekers were also requested to provide suggestion to the DoL on how it could improve its services particularly on training and placement opportunities, and the following were highlighted:

- That the DoL should strengthen its advocacy campaigns and marketing of skills development training and placement opportunities.
- The DoL should to make more radio, TV and media briefings on training funded through NSF.
- The DoL should make use of their mobile units at the Labour Centres to reach the poorest of the poor in rural areas when doing their advocacy campaigns.
- Brochures and leaflets on NSF and training issues to be distributed at the Multi-Purpose Community Centres (MPCCs) at their localities.

4. CONCLUSION.

It is important to begin to conclude this chapter by recalling that the main purpose of the study was to determine whether the skills acquired through NSF training do impact and contribute on job creation. Special reference was given to the hypotheses

stated in (chapter 1) which stated that, there has not been a significant change/impact brought by the NSF training interventions in addressing job creation and self-employment in the Province. In 3.5.1.3 on page 104 the study revealed that eighty nine percent placement rate was said to be in the informal sector where 100 percent placement rate was guaranteed for the periods of three to 24 months in the projects, four percent were self-employed, seven percent were employed in the formal sector and two percent of the trainees were not sure whether they will land in any job.

These findings show that 100 percent placement was guaranteed in projects like for example for the periods of three to 24 months, when projects end the trainees are not supported financially to keep projects ongoing, or to start their own businesses or not receiving after care to sustain themselves as it has been indicated in figure 4.8 on page 100 and in 3.5.2.1 page 105, and as a result sustainable jobs and self-employment opportunities cease to exist and training funded through NSF becomes a futile exercise and results in no impact at all by improving their livelihoods.

The study also discovered that some projects supported by DoL do not guarantee any placement where two percent of the trainees in 3.5.1.3 on page 104 had indicated that they were not sure whether after completion of training they will land in any jobs. Since the formal sector was declining as it was indicated in (chapter 1 page 3), it does not guarantee many job placements, also in this study seven percent have indicated that they were placed in the sector, this is a very small number as it is compared to eighty nine percent placed in the informal sector.

It is also hypothesised that the statistics by the DoL and Training Providers on the unemployed people trained through the NSF do not depict the actual number of placements both in the formal and informal sectors. DoL does not have the recoding systems in place to keep and to record placements as it was indicated on page 68 that the number of people registered and placed through the ESSA system could not be the actual ones as these numbers could be more, but the system cannot update the figures and information on daily basis as required. DoL tend to rely on the project initiators' information during their submission for funding that their projects guarantee 100 percent placement, only to discover after completion of training there was no

such and that learners are left frustrated and without jobs. This lack of placement verification on projects' by DoL result in no return on the investment of training and education, and it not achieving its 70 percent placement rate as it is required that within two months of the training being completed, the learners must be employed in the formal sector, or be self-employed, or are working in a social development project or have a learnership agreement with the employer (Department of Labour: ESDS Operations Manual, 2002: 1).

It was further hypothesised that the main causes of unemployment in the Province could result from the premise that the skills provided were not according to the North West Province labour market needs, as it is indicated in 2.3 on page 115 that DoL seems not to be addressing the skills according to the economic development of the Province and the PIP, most of the sectors catered for were those of Agriculture, Textile and Hospitality and major sectors such as Mining, Tourism and Manufacturing were often neglected.

Some of the certificates offered to the trainees after completion of training were said to be not nationally recognised as they do not comply with SAQA requirements; hence there was a decline in placement of trainees for these certificates as it was indicated in 3.5.2.4 on page 106 of this chapter under placement, self-employment opportunities and after care, where other respondents argued that trainees battle to find jobs or further studies as a result of non-accredited training.

Insufficient support from other stakeholders and lack of co-ordination of efforts and activities on the issues of skills development also result in duplication of efforts, projects collapse and no return in the investment of training and development as it was indicated in 3.5.2.3 on page 106 in this chapter.

The impact of the National skills Fund on job creation in the North West Province as perceived by different stakeholders was analysed. The target sample responses were analyzed and the success and challenges were presented. The effectiveness of the present approaches by the North West Department of Labour and its social partners were also evaluated and analysed. Finally the changes that were brought by NSF

interventions prior to 2000 and to date, in contributing towards employment creation and enhancing skills development were also cited.

It could be deduced from the findings and concluded that the road to the successful job creation is not smooth but or crooked one, the North West Provincial Department of Labour should strengthen and change some of its approaches to achieve the desired goals on the subject matter at hand in addressing the skills to achieve the state of equilibrium in this age of hope.

More research findings, recommendations and conclusions will be discussed in (chapter 5).

CHAPTER 5

RESEARCH FINDINGS AND RECOMMENDATIONS

1. INTRODUCTION.

The main purpose of the study was to investigate and to determine whether the skills provided and funded through the National Skills Fund, do contribute to reduction of unemployment in the North West Province and thus lead to job creation and self employment opportunities.

The chapter will outline a brief summary of findings and key recommendations for effective implementation and administration of the National Skills Fund which are of significance towards new approaches in obtaining the maximum impact on job creation and self-employment in the North West Province.

It should be noted that employment creation is a process. South Africa has started with the rebuilding of her economy. Many consultations and research were conducted with many skills development stakeholders on the subject at hand. Evaluating the National Skills Development Strategy was commendable. Appropriate adjustments should however, follow recommended actions and the findings could make not only South Africa but other nations to learn from the mistakes committed and successes achieved.

2. SUMMARY OF FINDINGS

2.1 The DoL is unable to measure the exact impact of the National Skills Fund training interventions on job creation and self-employment.

- The study revealed that NSF training interventions do impact on job creation and self-employment because the skills acquired through the training do assist the beneficiaries to access income-generating and self-employment opportunities as it was indicated in table 4.8 on page 99, where 78 percent of the trainees was good because most of them were guaranteed to be placed at projects from the periods between three to 24 months and when projects end, other trainees might choose to be self-employed or open their own SMMEs.
- The study also revealed that the skills acquired will make the trainees to be more competent and productive, and some trainees cited that the certificates obtained through this training will enable them to further their studies as it was indicated in 3.5.1.1 on page 103.
- Other respondents stated at 3.5.2.4 in page 106 that skills acquired will not land them in any job opportunities because the skills and knowledge they possess do not match the skills required by the labour market or prospective employers. Some argue that DoL keeps on addressing skills in the sectors that do not answer to the North West labour market needs where more job opportunities could arise.

2.2 There is no clear picture of how many trainees emerging from training programmes are employed or self-employed.

- Although the Department of Labour is supporting the demand-driven approach to training where 100 percent placement is guaranteed, there was no clear picture of how many trainees emerging from training programmes were employed or self-employed due to lack of proper placement mechanisms such as computer systems that never existed since NSF inception. The ESSA system for example has just been launched during March 2007 to register, match and place people at suitable

employment opportunities, but it is still not functional as there are other enhancements still to be done on it.

- Many trainees trained seem to disappear into thin air after the projects have ended because of lack of after-care. The DoL and its partners seem to fail in making follow-ups with the trainees and project to check whether they are able sustain themselves even after the training and end of the projects.
- Failure by the SETAs as reflected in figure 4.8 on page 99 to assist in creating learnership programmes and other training exit strategies for people to gain workplace experiences and to sustain themselves could also contribute to this challenge.

2.3 The DoL cannot determine whether the training offered is according to the North West labour market needs.

- It was found that in 3.5.2.2 on page 104, most projects that are supported through the NSF were said to be in line with the economic developments of the regions in the sense that they are informed by the District Development Strategies, Provincial Growth and Development Strategy, the Provincial Implementation Plans and the Integrated Development Plans because there is a move that projects needs talk to both the regional and provincial initiatives.
- Most respondents especially those who constituted the qualitative sample, had indicated that the DoL seems not to be addressing the skills according to the economic development of the Province and Provincial Skills Plans, most of the sectors catered for were those of Agriculture, textile and hospitality and major sectors like mining, tourism and manufacturing were often neglected as it was depicted in figure 4.5 on page 95.
- Some felt that people were trained for the sake of training for the Department to spend on the budget allocated to them. This has resulted in no return in the investment of training and value for money.

The above finding is supported by Van Dyk et al (2001: 7) when they stated that improving the job skills of the workforce has attracted considerable amount of funds in developing and developed countries either by government or from donors like in the case of NSF. Unfortunately, the results of much of the investment in skills training have been disappointing due to poor returns in training investment, and these vary from country to country and in some cases it is caused by slow growth in skilled wage employment and in other cases by inefficient administration where governments are not mindful of economic policies that distort the incentives to firms and individuals to invest in skills.

2.4 DoL cannot determine whether the certificates offered to training by Training Providers are aligned to NQF or SAQA requirements.

- In 3.5.1.1 on page 103, the study reveals that 53 percent of the trainees were said to be receiving accredited training and were certain that the certificates will lead to qualifications that are aligned to NQF and SAQA and 4,4 percent of those receiving non-accredited training were uncertain that qualifications obtained will be recognized.
- 3.5.1.1 on page 103 further reveals that trainees who were receiving non-accredited reported that the training offered will not lead to a nationally recognized qualification.
- It was also revealed that there was an outcry that the SETAs should decentralize their activities so that the people of the North West could benefit from the services rendered and the DoL and SETAs should jointly capacitate both emerging and existing Training Providers. Please refer to 3.5.2.5 on page 106.

3. RECOMMENDATIONS

Based on the findings of the research, the following issues are recommended in improving the NSF training interventions on job creation and self-employment

especially at the provincial and local level where the actual implementation takes place. It is recommended that:

- The training be conducted in accordance with the North West labour market needs as spelled out in PIPs, IDPs and regional development plans to achieve the desired results. Please refer to 3.5.2.2 on page 105.
- Training should focus on the dominating sectors such as Mining, Agriculture and manufacturing where more job opportunities could emerge. Please refer to figure 4.5 on page 96.
- The DoL, SETAs and other stakeholders in skills development jointly co-ordinate efforts and to do continuous evaluation and that the strategies and implementations be assessed from time to time. Please refer to 3.5.2.5 on page 107.
- SETAs should decentralise their services, and come up with learnership programmes that address the needs of the North West Province. Please refer to 3.5.2.5 on page 107.
- The DoL align its short courses to NQF so that they could bear credits. Please refer to 3.5.2.5 on page 107.
- The DoL and SETAs capacitate both emerging and existing Training Providers. Please refer to 3.5.2.5 on page 108.
- The DoL to create training programmes that could accommodate People with disabilities so that they could also benefit. Please refer to 3.5.2.5 on page 108.
- DoL market its training opportunities through advocacy campaigns, and conduct briefings sessions through electronic and print media, and should also make use of the MPCC's and their mobile units to reach people living in the rural areas. Please refer to 3.5.2.5 on page 108.
- DoL should also give attention to Urban Renewal Programmes /Integrated Sustainable Rural Plans because they can absorb more people into job opportunities

4. LIMITATIONS OF THE STUDY.

The study was limited to the North West Province, particularly the Provincial Office of the Department of Labour and its Labour Centres. Thus the results of this study

cannot be generalized to other Provinces. The study could not secure inputs from business organizations, labour unions and big companies in the Province. Some of these were however, approached for their input but did not respond. The paper did not also engage other provincial government departments such as Land Affairs, Public Works, Social Development, Developmental Local Government and Housing and Economic Development and Tourism that also have a bias towards and all in one way or another address skills development and job creation.

5. CONCLUSION.

In conclusion, the saying goes: United we stand, and divided we fall. When concerted efforts are made by government, labour and business to stand together in alleviating the problems of unemployment, poverty and economic growth in South Africa and anywhere else, a better future for all can be ensured.

This study was conducted to determine and also to justify whether the skills provided through NSF training do impact on job creation and self-employment opportunities as it was indicated in the previous chapters. As such, the study covered the interventions undertaken by DoL in the North West Province prior 2000 and post 2000 with the purpose of creating job opportunities.

The researcher also made sure to underline most important considerations had to be taken through the whole study: that is it was impossible to completely separate the effects of the most important pieces of legislation such as the Manpower Training Act of 1981, Skills Development Act of 1998, Skills Development Levies Act of 1999, the Human Resources Development Strategy and National Skills Development Strategy and other policies on skills development since their objectives are closely related. In fact, it was clear that these policies were and are part of the response to solve the imbalances of apartheid regime on training and job creation.

Stakeholders in pursuit of the skills development and job creation should not take things for granted but should join efforts and have a buy-in into each others proposals that address issues on employment to achieve the status of equilibrium in placements.

Integrated approach to development should involve everybody right from the beginning of the projects.

Policy makers should develop a conceptual framework within the skills development the second economy is located. There should be a top down versus bottom up approaches to skills development in the second economy. The NSF needs a strategic business plan and this should include a specific set of objectives and indicators for the second economy. The DoL provincial offices capacity will need to be reviewed in the light of responding to the job creation and self-employment initiatives.

The study should be of interest to policy makers and researchers in the field of skills development and job creation. It pinpoints problem areas for further research in this field that will need to examine in more detail what the trends in the training of the unemployed are, where priorities are, what skills challenges are emerging and how current skills development initiatives like for example the NSF are impacting.

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QUESTIONNAIRE

The purpose of this Questionnaire is to investigate the "Impact of the National Skills Fund on job creation and income generating opportunities in the North West Province". It would be appreciated if you could take a few minutes to answer the following questions in the spaces provided. Your answers will remain confidential. The results of the survey will help the Department of Labour Employment and Skills Development Section to improve its services in future.

Please make a Tick at the appropriate box

☒
PART A**DEMOGRAPHICS AND RELATED INFORMATION**

(To be completed by all participants).

1. What is your gender

Male	Female
1	2

2. Age

16-20	1
21-25	2
26-30	3
31-35	4
36-45	5
46-55	6
56-65	7
65+	8

3. Please indicate your highest level of education:

No schooling	1
Primary Schooling (grade 1-7/Sub A - Std 5	2
Secondary Schooling (Grade 8-12/Std 6-10	3
Post Matric Qualification	4
Others (specify).....	5

4. What Population group do you belong to?

African/Black	1
Coloured	2
Indian/Asian	3
White	4
Other, (Specify).....	5

APPENDIX A

5. Do you have disability? (if no go to Question no 6)

Blindness	1
Deafness	2
Physical disability	3
Chronic conditions	4
Mental & neurological	5
Other, (Specify).....	6

6. What is job your job title?

Unemployed workseeker	1
Unemployed trainee in a Skills Development Project	2
Training Provider contracted with DoL	3
ESP II at DoL Labour Centre	4
Employment and Skills Development Admin Officer at DoL Provincial Office	5
Skills Development Facilitator	6
Seta Representative	7
Business Representative	8
Other, (Specify).....	9

7. How long have you been Employed or Unemployed?

	Employed	Unemployed
0 to 5 years	1	1
6 to 10 years	2	2
11 to 15 years	3	3
16 to 20 years	4	4
21 years or more	5	5
Never worked	6	6
Other, (Specify)	7	7

PART B**GENERAL QUESTIONS**(To be completed by Unemployed Trainees in the Skills Development Project only)

Mining and Quarry	2
Manufacturing	3
Electricity, gas and water supply	4
Construction	5
Wholesale and retail trade	6
Transport, storage and communication	7
Financial intermediation, Insurance, Real Estate and Business	8
Community, social, personal services	9
Other, (Specify)	10

2. Is the training that you are receiving an accredited one? If yes go to question 4

Yes	No
1	2

3. If not explain what type of training are you receiving.

4. Does the training lead to a qualification that is Nationally recognized?

Yes	No
1	2

5. Are the Learning Materials and equipment up to the required standards?

Yes	No
1	2

6. Are the modules outcome-based?

Yes	No
1	2

7. Are the Instructors competent and qualified to conduct training?

Yes	No
1	2

8. Is the Learning environment conducive for learning to take place?

Yes	No
1	2

9. Are the Setas and Department of Labour Officials monitoring the training?

Yes	No
1	2

10. If yes how frequent?

11. Are you going to use the skills that you have acquired in your present job or for income generating opportunities? *Please tick the appropriate block .*

In the Present job	
Income-generating opportunities	

12. Will the skills that you had acquired through training lead to employability or an income-generating opportunity? *Please tick the appropriate block .*

Yes	No
1	2

13. If "No" to question 12, please indicate why do you think it will not lead to employability or an income-generating opportunity?

14. If "Yes" to question 12, please indicate why do you think it will lead to your employability or you accessing an income generating opportunity?

15. Are you going to be placed after completion othe training (If no to question no. 15 go to question no. 16).

Yes	No
1	2

16. If "No" to question no. 15, please explain why are you not going to be placed after training?

17. If " Yes" to question no.15, how long are you going to be employed in your job or project?

Less that 1 Month	
1 Month	
2 Months	
3 Months	
4-6 Months	
7-12 Months	
13-24 Months	
Other (Specify).....	

18. Placement Category?

Informal Sector	
Formal Sector	
Self employed	
Further training and learning	

19. Did you work before you receive training funded by Department of Labour?

Yes	No
1	2

20. If " Yes" to question no. 19, what was your average gross monthly earning? (If "Not" that will be the end of the questions)

Income category	
R0-R500	
R501-R1000	
R1001-R1500	
R1500 and more	

Other Comments:

Thank you for your co-operation!

APPENDIX A

PART B

GENERAL QUESTIONS

(To be completed by Unemployed Work seekers)

1. What are/were your service requirement (s) to the Department of Labour?

Please tick all those applicable to you in the applicable in the box.

☒

Lodge a UI complaint	1
Apply for UI benefits	2
Collect forms	3
Submit forms	4
Collect payment	5
Make a payment	6
Seek labour advice	7
Lodge complaint about your employer	8
Report an injury on duty	9
Register as a work seeker	10
Inquire about training opportunities	11
Do follow-ups	12
General information	13
Other, (Specify).....	14

2. How many times in the past 12 months have you approach the Department of Labour on the following?

	Once	Two times	More than two times	Can't remember
Lodge a UI complaint				
Apply for UI benefits				
Collect forms				
Submit forms				
Collect payment				
Make a payment				
Seek labour advice				
Lodge complaint about your employer				
Report an injury on duty				
Register as a work seeker				
Inquire about training opportunities				
Do follow-ups				
General information				
Other, (Specify).....				

3. How long did you wait in the waiting room before getting attention?

<10 minutes	20 min	30 min	1hour
1	2	3	4

4. Do you know about the services rendered by the Department of labour?

Yes	No
1	2

5. If yes could you please name them?

1	
2	
3	
4	
5	
6	

6. Are you aware that there are training opportunities that are offered by the Department of Labour?

Yes	No
1	2

8. Do you feel that the DoL has done much briefings and campaigns on training issues?

Yes	No
1	2

9. Are you satisfied with DoL's consultation in terms of the training opportunities?

Yes	No	Uncertain
1	2	

10. If not satisfied or uncertain, how can DoL improve its consultation with the Public?

11. If yes how did you know about the training opportunities that are offered by DoL?

Radio	1
-------	---

Television	2
Newspapers	3
Info Sessions	4
Friends	5
At work	6
Other, Specify.....	7

12. Please say yes or no in the appropriate box.

	Yes	No
Many questions were answered satisfactorily	1	2
The information that I needed was available	1	2
Answers were given in my preferred language	1	2
I was informed about everything I had to do to access training	1	2

13. After being registered as a workseeker, how long did DoL take to refer you to either training or placing you in employment?

1 Week	1Month	2 Months	3 Months	Never

14. Do you know the service standards of (DoL (in terms of waiting tim, quality etc.)

Yes	No
1	2

15. If yes, how do you rate DoL services?

Excellent	1
Good	2
Fair	3
Poor	4

16. If no, what should be done to improve services?

Thank you for your co-operation!

APPENDIX A

PART B

GENERAL QUESTIONS

(To be completed by All stakeholders involved in the training of the unemployed persons in the North West Province, i.e the (Training Providers, DoL Officials, Skills Development facilitators in government, business, non-governmental organisation and the Setas).

PLEASE ENCIRCLE THE ORGANISATION YOU BELONG TO. 

These questions will be trying to measure the impact of the National Skills Funded training impact on job creation and income generating opportunities. The successes, challenges should be reflected to improve service delivery.

1. Please indicate to what extend do you agree with the following statements regarding training of the unemployed persons funded by DoL. Make use of the following scale:

1. (Poor) 2. (Fair) 3. (Average) 4. (Good) 5. (Excellent).

	1	2	3	4	5
a. All Training Providers on DoL database comply with all DoL requirements, and contracted to provide training for the unemployed persons.					
b. All Training providers abide with all legislation regulations promulgated to ensure that their personnel abide by them.					
c. All Training Providers contracted with DoL perform their services with due care, efficiency and diligence.					
d. Training provided is demand-driven and addresses the North West Province labour market needs.					
e. Training offered is accredited, and quality assured					
f. Assessment of credits obtained through training programmes lead to a qualification that complies with SAQA, NQF and Seta requirements.					
g. Learning material, equipment and premises and adquate for learning to take place.					
h. Training provided is out-comes based.					
i. Training programmes address the issues of equity as per NSDS, HRD and North West PGDS targets.					
j. Instructors at the Training Centres are competent Assessors and Modarators to conduct training as required.					
k. To what level of understanding are the learners towards learning content.					
l. Learner co-operation is					

	1	2	3	4	5
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m. Learners are demotivated because there is lack of support from project initiators, funders, Setas DoL etc.					
o. Training Providers experience high rate of absenteeism from the learners.					
p. There is lack of communication between DoL, Project initiators, Training Provider, Learners etc. to raise concerns about training issues.					
q. Placement of trainees by project initiators after completion of training is hundred percent guaranteed.					
r. Stakeholders such as Seta's, project initiators always come up with the exit strategies and after-care to trained beneficiaries when projects are completed.					
s. All projects are supported with funds to sustain themselves after completion of training.					
t. There are dispute resolutions procedures in place that apply when all stakeholders in training are not complying.					
u. There is performance appraisal system in place to measure performance of Training Providers					
v. Unemployed persons receiving training are generally satisfied about the funding and assistance provided by DoL.					

2. What constraints face the training and projects in terms of:

2.1 What could slow the projects down or stop it?

2.2 What interrelated projects will impact on the existing projects within your regions?

3. What are the long-term sustainability plans of the projects funded through the NSF viz:

3.1 Are the project in line with economic development of the region?

Yes	No
1	2

3.1.1 If "yes" to question 3.1 above please explain

3.1.2 If "no" to question 3.1 above please explain.

3.2 Are the skills developed needed in future?

Yes	No
1	2

3.3 Are the beneficiaries of training to be in sustained employment or self-employment or SMME opportunities?

Yes	No
1	2

3.3.1 If "not" to question 3.3 above, will the skills development improve their employability/livelihood beyond current interventions? Please explain.

4. In general, how do you think that the training and the NSF could be improved to have a direct impact and bear desired results?

Thank you for your co-operation!