

SKILLS DEVELOPMENT



Skills
development



1 2 3 4 5 6

1. **Collin Anderson**
2. **Jenny Mohamed**
3. **Mustak Ally**
4. **Theo Mehona**
5. **Duncan Julyan**
6. **Mbali Mathenjwa**

In recognition of the critical role the mining sector has to play in skills development in South Africa, the Skills Development Unit of the Chamber of Mines continues to solicit and consolidate stakeholder views as well as lobby, advocate and influence these views to develop a skills development solution that is in the interests of all stakeholders.

The Chamber is involved in all levels of skills development – from adult education and training to skills training for operators, miners, artisans, technicians, professionals and managers. This involvement includes input into theoretical, practical and workplace-based training and development programmes conducted by Technical and Vocational Education and Training (TVET) colleges, universities, universities of technology and accredited training providers.

CONTEXT

The National Development Plan Vision 2030 subscribes to the objectives of eradicating poverty, removing inequality and reducing unemployment. It is well known that, without sufficient focus and

continued investment in skills development, these objectives may not be realised to any meaningful extent.

Within the mining sector there are many challenges associated with the development of relevant skills. Among others, a legacy of poor educational opportunities, a complex tertiary education and training landscape, and a poor basic education system have resulted in many employees with few or low skills. The national shortage of skills in all economic sectors exacerbates the challenges associated with the retention of staff, and increases demands for training and development in the mining sector. The skills-development environment is also complex with many policy, regulatory and legislative requirements. Navigating these requirements and challenges can be resource-intensive and onerous for individual organisations.

To counter skills shortages, South African mining companies invest in employee training and development in many forms, including learnerships, bursaries, apprenticeships, internships, and adult education and training. The industry also supports training and skills development in the communities where operations are located, helping to make socio-economic growth possible beyond the life of mines.

ADVOCACY AND LOBBYING

The Chamber's Skills Development Unit represents the interests of the mining industry in matters affecting education and skills development nationally. The Chamber is represented on statutory bodies such as the Mining Qualifications Authority (MQA), Human Resource Development Council of South Africa (HRDC), National Skills Authority (NSA), and the Quality Council for Trades and Occupations (QCTO).

Chamber officials are also active members and participants in several national, sectoral and ministerial task teams and committees. Among others, these include the National Artisan Development Advisory Body (NADAB), the task team for advancing TVET education and training, the National Economic Development and Labour Council (Nedlac) task teams on free higher education and the National Skills Development Plan (NSDP), and the International Labour Organisation (ILO) teams on the future of work and recognition of prior learning. Involvement in these platforms ranges from foundational learning, further education and training (FET) colleges, and their course offerings, to artisan training and reviews of skills systems. Chamber officials are also active members of Business Unity South Africa (BUSA) in areas affecting skills development. Participation in these structures and platforms affords the Chamber an opportunity to play a leading role in crafting business mandates on skills development, including the mining sector positions on skills development.

SKILLS DEVELOPMENT continued

MINING QUALIFICATIONS AUTHORITY

The Chamber plays an important role in the tripartite MQA, together with organised labour and government. The MQA is the sector education and training authority (SETA) for the mining industry, supporting skills development in the sector and responsible for ascertaining skills demand as well as disbursing the skills development levy.

In the 2016/2017 financial year, the MQA ensured that it did not receive a second qualified audit opinion. During the first quarter of the calendar year, the MQA focused largely on ensuring that the financial year 2016/2017 was closed off without any major issues. Although the MQA received an unqualified audit opinion, the following were still areas that needed improvement:

- Bursary management at the MQA (issuing and administration)
- Data integrity and management (a challenge in need of major systems changes)
- Policy shortcomings and policy adherence (one of the key areas resulting in weak governance).

Some of the key financial figures in the 2016/2017 financial year were as follows:

- Total revenue (levies, investment income and grants from the National Skills Fund) was at R1.1 billion
- Total expenditure for the year was at R1.2 billion
- The MQA had a deficit of R141 million for the year but positive net asset value of R3.3 million

Some of the MQA's performance achievements during 2017 were as follows:

- At least 72% or 34 of the 47 targets set were achieved in the period under review
- 10 research projects in the sector were conducted against a target of nine
- The MQA collaborated with mining and minerals sector stakeholders to provide workplace training for mining graduates to qualify in their fields (a total of 637 undergraduate learners against the set target of 500)
- The MQA exceeded its target for training representatives in the occupational health and safety skills programme (a total of 6,125 employees completed the training programme against the set target of 6,000)
- A total of 2,115 learners were registered in various artisan programmes against the set target of 2,600

NATIONAL BODY REPRESENTATION

The Chamber continues to be an active voice on national human resource development platforms either through formal nomination as a business representative through BUSA or by ensuring that it participates in the substructures of these bodies.

Among others, these bodies include the Quality Council for Trades and Occupations (QCTO), the National Skills Authority (NSA), and the Human Resource Development Council of South Africa (HRDC).

The QCTO is responsible for quality assurance of trades and occupations in the post-school education and training system. Some of the key areas of focus in 2017 were:

- Moving quality assurance accountabilities, responsibilities and outputs from the SETAs to the QCTO (only workplace quality assurance would remain with the SETAs)
- Ensuring that the registration of trades and occupations is a priority (a challenge for the QCTO due to limited resources)
- Developing the business case for increasing funding of the QCTO (limited finances has been a major stumbling block in achieving objectives)

The NSA advises the Minister of Higher Education and Training on policy issues relating to skills development. The NSA's focus during 2017 was largely on:

- Conducting provincial consultation workshops on the NSDP and providing the Minister of Higher Education with recommendations
- An analysis and evaluation of the National Skills Development Strategy III due to be concluded in 2018
- Developing a model to conduct more comprehensive monitoring and evaluation in the entire skills system
- Consulting stakeholders and conducting research into the overall improvement of the skills development system

The HRDC is a national, multi-tiered and multi-stakeholder advisory body, established in March 2010 under the leadership and stewardship of the Deputy President and managed by the Department of Higher Education and Training. Membership is based on a five-year tenure and representatives include government ministers, senior business leaders, organised labour, academia and civil society. Focus was on the following in 2017:

- Identifying skills blockages and recommending appropriate solutions as well as identifying the primary institutional structures and leaders to implement possible solutions in partnership
- Commissioning research in human resource development
- Encouraging organised business, civil society, government and organised labour to invest in education and training, and to take full responsibility for human resource development within their areas of competency

SETA GRANT REGULATIONS

When the skills levy and SETAs were initially established, the grant regulations were:

- A mandatory grant of 50%
- The National Skills Fund (NSF) received 20% of the levy

SKILLS DEVELOPMENT continued

- A discretionary grant of 20%
- An administration cost for SETAs of 10%
- Levies not used in a year could be saved as surplus and used in future by the SETA

The Minister of Higher Education changed the original SETA grant regulations as follows:

- The mandatory grant was reduced from 50% to 20%
- The NSF received 20% of the levy
- The discretionary grant was increased from 20% to 49.5%
- The administration cost was increased to 10.5%
- Surpluses in excess of 5% were to be 'swept' into the account of the NSF

BUSA challenged the Minister of Higher Education and Training's decision to change the SETA grant regulations through the Labour Court in 2013.

Since 2013, the matter has been in court and has been heard a few times. Each time, the ruling was in favour of business and the grant regulations of 2012 were set aside. However, the Minister of Higher Education and Training appealed these decisions on various grounds hence the matter is still with the Labour Court. The last ruling, made in October 2017, set aside the 'sweeping' of surplus funds. The matter on the changing of the mandatory grant from 20% to 50% will be heard in the first quarter of the 2018 calendar year.

PROPOSED SETA LANDSCAPE AND NATIONAL SKILLS DEVELOPMENT PLAN

Following the publication of the Government Gazette on the SETA landscape proposal and the extension of National Skills Strategy IV, social partners engaged with Nedlac throughout 2017, as well as other platforms on the proposed changes. The revised NSDP was gazetted in December 2017 for further public comment. The Chamber has solicited input from various members and has made a submission to BUSA, which in turn will be including consolidated business input on the proposals.

CHAMBER OF MINES CERTIFICATES

The Chamber of Mines Examination Department arranges and administers all examinations written in the survey, sampling, ventilation and rock mechanics disciplines, and also issues certificates for the:

- Advanced Sampling qualification enabling candidates to work with confidence and the knowledge needed to advance to a senior position
- Advanced Survey qualification as a pre-requisite to write the Government Certificate of Competency
- Mine Environmental Control qualification required by the Mine Health and Safety Act No 29 of 1996
- Rock Mechanics qualification required by the Mine Health and Safety Act

CAPTION

DRDGOLD – EBDA (Ergo Business Development Academy)



SKILLS DEVELOPMENT continued

CERTIFICATES ISSUED BY CHAMBER OF MINES IN 2017

The table below indicates the number of Chamber certificates issued over the past four years. Fluctuations in the number of candidates who have sat the examinations over the four-year period were driven by demand from various mining companies. This is indicative of the economic fluctuations experienced by the sector. The number of Chamber examinations are expected to decrease substantially once these qualifications have been formally registered with the QCTO.

Certificate	2017	2016	2015	2014
Certificate in Advanced Mine Surveying	36	73	63	91
Certificate in Advanced Mine Valuation	37	48	54	75
Certificate in Advanced Rock Engineering	3	6	7	4
Certificate in Basic Mine Sampling	78	99	123	164
Certificate in Basic Mine Surveying	61	134	143	156
Certificate in Elementary Mine Sampling	116	57	87	64
Certificate in Elementary Mine Surveying	33	92	120	141
Certificate in Mine Environmental Control	19	21	12	29
Certificate in Radiation Protection Monitoring Screening	95	145	102	181
Certificate in Rock Mechanics	17	26	18	25
Certificate in Strata Control	96	99	71	96
Intermediate Certificate in Mine Environmental Control	112	60	64	51
Certificate in Mine Survey Draughting	15	13	26	30
Total	718	812	890	1,107