

2016 AREAS OF FOCUS continued



Skills development

In recognition of the critical role the mining sector has to play in skills development in South Africa, the Chamber of Mines' Skills Development Unit continues to solicit and consolidate stakeholder views as well as to 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 that are carried out by Technical and Vocational Education and Training Colleges, universities of technology and accredited training providers.

CONTEXT

The NDP 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. Amongst 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 having few or low levels of skills. The national shortage of skills in all economic sectors exacerbates the challenges associated with the retention of staff, and increases the 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 exhaustive to individual organisations.

To counter skills shortages, South African mining companies invest in employee training and development in many forms that include learnerships, bursaries, apprenticeships, internships and adult education. 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 on matters affecting education and skills development in the national arena. The Chamber is represented on statutory bodies such as the Mining Qualifications Authority (MQA), Human Resource Development Council of SA (HRDC), National Skills Authority (NSA), and the Quality Council for Trades and Occupations (QCTO).

Chamber officials are active members of several national, sectoral and ministerial task teams and/or committees. Involvement in these platforms ranges from foundational learning, further education and training colleges, and their course offerings, to artisan training and reviews of skills systems. Chamber officials are also active members of BUSA in areas affecting skills development, and play a leading role in business mandates on skills development. The Chamber is represented on the National Artisan Development Advisory Body (NADAB) and



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Skills development continued

is regularly part of skills development task teams established at NEDLAC. The Chamber is the convenor for employers and is active at all levels of the MQA. Through lobbying, the Chamber is able to influence many of the decisions made by, and the direction of, the MQA.

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 and supports skills development in the sector and is the body responsible for ascertaining skills demand and disbursing the skills development levy.

The 2016 year was challenging for the MQA which received a qualified audit for 2015/2016. The qualified audit opinion largely related to bursary management, project commitments and data integrity from inadequate systems. The focus through the year has been on developing a turnaround strategy to improve the MQA performance and ensure an unqualified audit opinion in 2016/2017. As a key member of the MQA board, the Chamber plays an instrumental role in ensuring adherence to, and the execution of, the turnaround strategy.

Companies contribute 1% of payroll levies to skills development and 10.5% of this is utilised for administration expenditure within the MQA. This expenditure was in excess of R100 million for 2016.

Some of the MQA's achievements during 2016 were:

- More than 9,000 employees completed formal skills programmes (against a target of 6,000).
- More than 3,000 employees progressed through adult education programmes.
- More than 5,000 learners in higher education were supported through bursaries, internships and workplace experience programmes.
- Over R1 billion was raised in skills levies and approximately R900 million disbursed to companies through mandatory grants and discretionary grants.



Two Rivers Platinum Mine is a joint venture between African Rainbow Minerals and Impala Platinum



2016 AREAS OF FOCUS continued

NATIONAL BODY REPRESENTATION

The Chamber is represented on the QCTO, the NSA, and the HRDC as business representatives nominated through BUSA.

The QCTO is responsible for quality assurance of trades and occupations in the post-school education and training system. The Chamber played a leading role in the establishment of the QCTO and continues that role in its implementation. Some of the key areas of focus in 2016 were:

- The QCTO is developing a business case for the Council in terms of funds that are required from the Skills Development Levy to carry out the given and additional functions assigned to the QCTO. This exercise will determine the sustainability and success of the QCTO in the future and provide a business case for securing sufficient funds to perform its functions.
- The QCTO is also grappling with the positioning of quality assurance in the skills system. The challenge is being experienced in the overlapping roles between the SETAs and QCTO.

The NSA advises the Minister of Higher Education and Training on policy issues relating to skills development. The NSA's focus during 2016 was largely on the following:

- Increasing and improving the monitoring and evaluation of SETAs, thereby improving the overall performance of SETAs.
- Soliciting input and developing an NSA position in the SETA and skills development landscape.
- 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 (DHET). Membership is based on a five-year tenure, and representatives include a number of government ministers, senior business leaders, organised labour, academia and civil society. In 2016, the HRDC focused on:

- Identifying skills blockages and recommending appropriate solutions to unblock them, as well as identifying the primary institutional structures and leaders for partnering with to implement possible solutions.
- Commissioning research in the HRD field.
- Encouraging organised business, civil society, government and organised labour to invest in education and training, and to take full responsibility for HRD issues within their areas of competency.

BLASTING CERTIFICATES

During an MQA board meeting in November 2013, the DMR, organised labour and employers took a decision for the MQA to hand over the administration of blasting certificate examinations to the DMR. This decision was a result of the challenges with the rock-breaker or equivalent qualifications being administered by the MQA. This decision was made subject to certain requirements such as a syllabus and examiner's guide being developed. The DMR issued an instruction that the Blasting Certificate would be implemented in July 2015 and that learners should no longer be admitted to the Rock-breaker Qualification. In spite of the implementation date being set, the requirements were not finalised and the instruction could not be implemented.

The DMR indicated that the process had taken longer than expected and that the Blasting Certificate would be implemented in April 2016. Unfortunately the requirements and associated issues were still not finalised and the date for implementation was moved to January 2017, when there were further delays. After further engagements with the DMR,



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Skills development continued

the new date of implementation has been set for June 2017. All issues relating to the suite of the Rock-breaker Qualification, learning materials and assessment of the Blasting Certificate have been concluded. The Chamber does not envisage any further delays in reverting to the Blasting Certificate.

TRAINING OF ARTISANS

Artisans play an important role in the mining industry and the mining industry plays an important role in their development with, on average, 2,000 artisans qualifying in the mining industry each year. The Chamber plays an active role in areas where the training of artisans is a focus. The National Artisan Moderating Body is responsible for the quality of artisans trained. It has developed:

- Transitional arrangements for trade testing of artisans
- Draft regulations on a national register for artisans
- A report on the Recognition of Prior Learning for Artisans project
- A policy for generic grants for artisan learners
- A national administration system
- A strategy to improve the trade test pass rate

New qualifications and associated curricula are being developed for the various trades with some of them already being registered at the South African Qualifications Authority. Others are in the process of being developed. The new curricula contain revised knowledge modules, practical skills modules and work experience modules. The DHET is also busy developing an Artisan Development Strategy. The Chamber has contributed to all this work and uses its membership within the NADAB to advise DHET on artisan matters and to influence policy relating to artisan development.

SETA GRANT REGULATIONS

BUSA challenged the Minister of Higher Education and Training's decision to change the SETA grant regulations (regulations which determine how the SETA grants are to be spent) through the Labour Court in 2013. The mandatory grant, which had amounted to 50% of the skills development levy paid to employers, was reduced to 20% and was the main change brought about by these regulations. In August 2015, the Labour Court ruled in favour of BUSA and set aside certain aspects of the regulations, specifically the reduction of the mandatory grant from 50% to 20%. The Court found that the Minister had failed to consult the NSA as required; that the Minister had acted irrationally by reducing the mandatory grant; and that the Minister did not have the power to move unspent SETA funds to the National Skills Fund. The Minister appealed this decision.

Further delays in the submission of relevant appeal documentation to the courts and the failure to execute this order on 1 April 2016, led to BUSA again lodging legal proceedings with the courts. The date for the appeal hearing has been set for May 2017.

PROPOSED SETA LANDSCAPE

SETAs are established for five-year periods. The current term of SETA licensing expired in March 2016. However, through two government gazettes, the SETAs were re-established until March 2020. Prior to this re-establishment, a Government Gazette on a new SETA landscape and National Skills Development Strategy IV was published in November 2015 for comment. The gazette was widely reviewed through various platforms. The Chamber obtained input from its members and broader industry and included these into a BUSA consolidated business response.

2016 AREAS OF FOCUS continued

The input and comments that were received by DHET led to a rethink on the proposed SETA landscape and this rethink led to the formulation in 2016 of a National Skills Development Plan (NSDP) by DHET. The NSDP is currently being interrogated at NEDLAC and as soon as this process is concluded a gazette will be published to solicit any further comment and input. The process is envisaged to be concluded in 2017.

CHAMBER OF MINES CERTIFICATES

The Chamber of Mines Examination Department arranges and administers all the examinations that are written in the Survey, Sampling, Ventilation and Rock Mechanics disciplines, and also issues these certificates.

- The Advanced Sampling qualification allows the candidate to be able to do his/her job with more confidence and equips him/her with the knowledge that can pave the way to a senior position.
- The Advanced Survey qualification is a pre-requisite for entry to be able to write the Government Certificate of Competency.
- The Mine Environmental Control qualification is required by the Mine Health and Safety Act (Act 29 of 1996) for persons who are responsible for environmental control at a mine.
- The Rock Mechanics qualification is required by the Mine Health and Safety Act (Act 29 of 1996) for persons who are responsible for the rock mechanics at a mine.



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CERTIFICATES ISSUED BY CHAMBER OF MINES IN 2017

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

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

CASE STUDY

FEE-FREE HIGHER EDUCATION? THE CHAMBER'S RESPONSE TO #FEESMUSTFALL

In 2016, South Africa saw unprecedented, intense and violent protests by university students in a call for free higher education. The Chamber was not immune to these protests actions and there were three protests marches to the head office of the Chamber of Mines. Among others, the common demand was that the mining industry support (predominantly through financial contribution) the call for free higher education.

The Chamber responded to the various memoranda that were handed over as demands as follows:

The Chamber and its members believe that consistent, quality, relevant and accessible tertiary education is one of the keys to South Africa's future and to enabling the country to achieve the long-term vision of a prosperous and inclusive future as described in the NDP.

Mining companies - directly and through the Chamber - have consistently over many decades supported higher education infrastructure developments, provided bursaries and scholarships, supported teaching and administrative costs, and sponsored many thousands of students at tertiary educational institutions across the country.

The mining sector, as represented by the Chamber, accounts for around 10% of the country's corporate taxation of which a sizable amount is used for funding education in the country. Further to this, the sector contributes more than R1 billion towards the skills development levy and a further 5% is spent on training and development through compliance to the Mining Charter. In 2016, more than 6,000 learners at higher education institutions were supported by the mining sector through bursaries, internships and workplace experience programmes.

The Chamber and its members believe that tertiary education should be funded primarily by government, with contributions from the corporate sector, and sliding scale contributions from students. Government should, over time, be encouraged to allocate a greater share of available revenue streams towards higher education, whilst balancing this with other demands of the country that are its responsibility.

The Chamber provided input into the Fees Commission in March 2017.

The Chamber does not and cannot support protest methods that result in damage to university and other private property nor can it support methods that use threats of, and actual, violence to force authorities to close universities. The Chamber also does not and cannot support the intimidation of students who hold contrary views. Further, the Chamber believes that the funding of higher education is the responsibility of all social partners and an amicable solution should be found without compromising other objectives.

