TRANSPORT EDUCATION AND TRAINING AUTHORITY

INITIATIVES FOR THE EMPOWERMENT OF SMME’s IN THE TRANSPORT SECTOR

PRESENTATION TO SABOA CONFERENCE

25 MAY 2017
AGENDA

1. The Role of the SETA
2. TETA Strategy Framework
3. TETA Strategic Goals
4. Sector Employment Profile
5. Sector Skills Plan Priority Scarce & Critical Skills
6. The Role of the Chamber
7. TETA Sector Collaborations
8. End
THE ROLE OF THE SETA

• As set out in Chapter 3, Section 10 of the Skills Development Act, 1998 SETA’s role is to:
  – Develop a sector skills plan (SSP) to describe the trends in each sector, the skills that are in demand and to identify priorities for skills development.
TETA STRATEGY FRAMEWORK

• Strategic framework drawn from the Sector Skills Plan;

• Strategic Framework contains the Transport Sector Skills priorities;

• Strategy wheel combines national imperatives with industry priorities;

• The framework guides and underpins all TETA training interventions;

• Framework recognizes centrality and criticality of scarce and critical skills to the sector economic viability and growth;
**TETA STRATEGIC GOALS**

**SKILLED & CAPABLE WORKFORCE**

**Goal 1**
Establish a credible institutional mechanism for skills planning and build and sustain Research Capacity on labour Markets within TETA.

**Goal 2**
Increase access to occupationally-directed programmes

**Goal 3**
Strengthening the quality assurance system

**Goal 4**
A post-school strategy for youth for further access and Work experience to improve employability

**Goal 5**
Increased Skills Development Initiatives for Small Entities

**Goal 6**
Increased road safety through awareness programmes and impactful accident prevention projects.
The following pie-chart shows a breakdown of subsector contribution to employment.

<table>
<thead>
<tr>
<th>Sector</th>
<th>Employment (in thousands)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aerospace</td>
<td>30 000</td>
</tr>
<tr>
<td>Maritime</td>
<td>14 000</td>
</tr>
<tr>
<td>Rail</td>
<td>135 928</td>
</tr>
<tr>
<td>Road Freight</td>
<td>70 000</td>
</tr>
<tr>
<td>Road Passenger</td>
<td>30 600</td>
</tr>
<tr>
<td>Freight Handling</td>
<td>25 000</td>
</tr>
<tr>
<td>Forwarding &amp; Clearing</td>
<td>22 000</td>
</tr>
<tr>
<td>Taxi</td>
<td>400 000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>727 528</strong></td>
</tr>
</tbody>
</table>
• List is created from skills gaps identified by Transport industry in their Discretionary Grant and Mandatory Grant applications (through Workplace Skills Plans);

• The skills with the highest funding request frequencies are shortlisted and run through the industry for verification before they are confirmed as priority scarce & critical (PIVOTAL);

• Closing the skills gaps increases productivity, enhances economic performance and potentially grows the economy;

• The numbers of workers required/demanded to address priority skills gaps are gleaned off the Workplace Skills Plans (WSPs) and inform TETA’s targets and budgetary requirements.

• Scarce and Critical skills are central to all TETA’s training endeavours.
The role of the chamber

- Ensure that the industry forges closer working relations with TVETs, HETs and key social partners
- Focus on PIVOTAL programmes
- Youth entrance to the sector and school alignment programmes.
- Environmental issues to be addressed
- Rural development to be introduced to the industry
- The contracts are all in support of the TETA objectives and represent a multitude of learnerships, skills programmes, bursaries, work integrated learning opportunities, internships and apprenticeship-based modules.
### SSP PRIORITY SCARCE & CRITICAL SKILLS (2016/17)

#### INDUSTRY SKILLS DEMAND Vs TRAINING ALLOCATION (2016/17)

<table>
<thead>
<tr>
<th>OCCUPATION</th>
<th>INDUSTRY DEMAND</th>
<th>ENROLLED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mechanical Engineers</td>
<td>50</td>
<td>30</td>
</tr>
<tr>
<td>Diesel Mechanics</td>
<td>150</td>
<td>150</td>
</tr>
<tr>
<td>Transportation Electricians</td>
<td>100</td>
<td>50</td>
</tr>
<tr>
<td>Supply and Distribution Managers</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td>Ship’s Engineers</td>
<td>150</td>
<td>30</td>
</tr>
<tr>
<td>Electrical engineers</td>
<td>20</td>
<td>20</td>
</tr>
<tr>
<td>Logistics Managers</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td>Mechanical Engineering Technicians</td>
<td>193</td>
<td>60</td>
</tr>
<tr>
<td>Drivers</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>Facilities Managers</td>
<td>350</td>
<td>30</td>
</tr>
<tr>
<td>Driver/ Operators</td>
<td>350</td>
<td>30</td>
</tr>
</tbody>
</table>

Source: 2016/17 TETA Sector Skills Plan
Applications for Discretionary Grant funding of interventions to address sector Scarce & Critical skills are invited through advertisements in the Press for stakeholder attention;

Flagship are also used to address skills needs in the sector through innovative and high impact projects. Unsolicited innovative proposals are considered for these projects;

Scarce & Critical skills interventions account for about 95% of the total Discretionary Grant budget;

Budgetary constraints limit ability to meet full industry skills demands;

Scarce & Critical skills are also addressed by stakeholders through their own Mandatory Grant funding.
• Given the lack of well-equipped workshops in most rural areas, apprenticeship training will seem to concentrate in major trading centres, where these facilities abound; Northern Cape is a good example of this.

• This trend also reflects where the majority of stakeholders are or prefer to train.
CURRENT BURSARY FUNDING

CURRENT BURSARY SPENDING

- LM: 23%
- GP: 21%
- EC: 8%
- NW: 8%
- KZN: 9%
- NC: 7%
- WC: 9%
- MP: 8%
- NC: 7%
- NW: 8%
- LM: 23%
- GP: 21%
- EC: 8%
CURRENT LEARNERSHIP FUNDING

LEARNERSHIP FUNDING

- KZN: 20%
- EC: 10%
- GP: 33%
- LM: 6%
- WC: 10%
- FS: 4%
- MP: 4%
- NW: 8%
- NC: 5%
- NW: 8%
- EC: 10%
- GP: 33%
To ensure scarce & critical skills are effectively addressed, the chamber has developed strategic partnerships with key players in the industry & focuses on the following:

- **Bursaries**: A total of 22 learners have been funded to the value of R2 000.121.00
- **Skills programmes employed**: A total of 75 learners have been funded for different skills to the value of R452.250.00
- **Skills programmes unemployed**: A total of 90 learners have been funded for skills programmes to the value of R1 035.000.00
- **Learnership employed**: A total of 200 learners have been funded to the value of R4270.000.00
To ensure scarce & critical skills are effectively addressed, the chamber has developed strategic partnerships with key players in the industry & focuses on the following:

- **Learnership unemployed:** A total of 314 learners have been funded to the value of R12 338.400
- **Apprenticeship Programme:** A total of 63 learners have been funded to the value of R7 450 000.00
- **Workplace – based Programme:** A total of 18 learners have been placed at different Road Passenger workplaces nationally and have been supported towards stipends to the value of R1 242.000.00
- **AET Programme:** A total of 100 learners have been funded towards AET programme to the value of R1 725.000.00
The Chamber is proud to announce that out of these programmes, the industry has managed to get recognition within the Sector and in turn put TETA on the map within the Skills Development space. The Algoa Bus Company based in the Eastern Cape was amongst companies that received National Skills Development Awards. These are the Awards that recognize excellence by stakeholders in the post-school education and training system. This was conducted during the National Skills Conference organised by the National Skills Authority in conjunction with the Minister of Higher Education and Training, Dr Blade Nzimande.
THANK YOU