

The word cloud on the title page illustrates the range of *target groups* of skills development legislation and policy identified across the wider post-school skills development policy system and key contextual policy. Youth in general, women, and people with disabilities are frequently identified as specific target groups for skills policy. In addition, specifically named target groups are rural persons and black persons (over and above general references to educators, learners, students, persons, people). In conjunction with these terms, employment surfaces as a term that is used frequently in relation to the identification of a target group. Further exploration of the policy system database shows that the employment of youth is a major objective of the skills development policy system.

Source: HSRC SD policy system dataset: Target groups across entire policy system

This ***Executive Summary and Recommendations*** must be read together with the full report prepared by the HSRC Team. The Executive Summary and Recommendations is based on the original research conducted by the HSRC Team and has been revised following the meeting organised by the High Level Panel with Stakeholders on 25 July 2017, which included officials from the Department of Higher Education and Training, Department of Planning, Monitoring and Evaluation, National Students Financial Aid Scheme, Quality Council for Trades and Occupations, and HLP members. The Executive Summary and Recommendations are subject to change as further stakeholder and expert views are incorporated in the Final Report, which will be prepared by mid-August 2017.

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Executive Summary

The purpose of this study is to review skills legislation, assess implementation, identify gaps and propose action steps that impact on the challenges of poverty, inequality and unemployment. The HSRC team were guided by the key research question: *How can legislation be a lever of change in the Post-School Education and Training system?*

Conceptualising skills development

We started by problematizing the term ‘skills development’, and for the purposes of this study, our starting point is to take a broad definition of skills development which encapsulates all forms of post-school education and training and which recognises a range of dimensions of what is a skill, its uses and purposes. In this respect we recognise that a skill or set of skills can be what an individual holds or an attribute of a collective group of people, skills can be formally recognised in terms of formal qualifications, but there is also a high degree of informal skills (which may become formally recognised by means of the recognition of prior learning (RPL)); skills are the result of formal, non-formal and informal learning; and that the definition of what are core or foundational skills, intermediate and high level skills, critical skills, scarce skills/skills and occupations in high demand, and so forth, is eminently contextual. Thus we do not subscribe to a narrow view of skills development, which only refers to one specific type and level of training – usually intermediate level skilling for occupations and trades, and/or workplace-based learning (WPBL) – and which tends to prioritise formalised education and training and focus only on skills for the formal economy.

Our broader approach to skills development recognises the bigger public and private good dimensions of skills development (such as citizenship development) alongside employability, productivity and competitiveness; the individual and collective aspect of skills for the formal and informal labour markets; as well as formal and not formally recognised skills. Thus, skills development is about enabling individuals and collectives “to become fully and productively engaged in livelihoods and to have the opportunity to adapt these capacities to meet the changing demands and opportunities” (King & Palmer 2007: 8; also see: Baatjes et al, 2014, Wedekind 2013; Allais 2012a & 2012b; Vally & Motala 2014). Moreover, while there is no direct correspondence between categories of skills and NQF levels, we follow the DHET and Stats SA classifications for occupations which differentiate between low skilled occupations (e.g. elementary and domestic workers, roughly up to NQF level 2), semi-skilled occupations (such as machine operators, crafts and related trades workers, skilled agricultural workers, sales and services clerks, roughly referring to NQF levels 3 to 5), and skilled occupations (technicians, associate professionals, managers, and professional; NQF levels 6 to 10) (Stats SA 2015; DHET 2012a).

Legislating skills development

The 1994 democratic government inherited a population with low educational and skills level and an education and training system that was fragmented, dysfunctional and unequal. The first task of the new government was to repeal apartheid legislation and institute legislation that enabled access for all as well as redress measures for the inequalities from the apartheid period. The first few years of the new government is described as the ‘evolution of ideas’ and articulating a vision through the ‘integrative’ National Qualifications Framework.

From 1994 to 2009, the Department of Education (DOE) was responsible (amongst other aspects) for higher and technical vocational education delivered through the universities and further education and training (FET) colleges. The DOL was responsible for the workplace skills programmes, delivered largely through the Sector Education and Training Authorities (SETAs). This split in the education, training and workplace skills functions created difficulties in delivery and the education and training

levels of the population did not improve much. The education, training and skills system was described as ineffective and inefficient.

The 2009 government created the single ministerial portfolio of Higher Education and Training. The portfolio shifted the higher and further education and training functions associated with colleges and universities from the Minister of Education to the new Department of Higher Education and Training (DHET). All skills related functions associated with the National Skills Development Strategy (NSDS), the SETAs, the National Skills Authority (NSA), the National Skills Fund (NSF), the National Student Financial Aid Scheme (NSFAS), as well as the National Qualifications Framework (NQF) and the South African Qualifications Authority (SAQA), were removed from the DOL and linked to DHET.

Immediately after the creation of DHET, a number of key pieces of legislation were amended to provide the necessary legislative authority for the new arrangement. In addition to changed legislation, there were changes in the SETA landscape with mergers and eventually a reduction by two SETAs. DHET oversight of SETAs was strengthened and there were changes in the governance structures with a new generic constitution for councils. FET colleges were moved from provincial administration and brought under the purview of DHET and are now called Technical Vocational Education and Training Colleges. The National Skills Fund, under DHET, was used to fund entities other than SETAs and bolster the resources of the NSFAS.

The various parallel processes relating to higher education, technical and vocational education and training (TVET), workplace-based skills development in DHET were consolidated through the *Green Paper* and later a *White Paper for Post-school Education and Training (WP-PSET)*. The White Paper was gazetted in January 2014 and maps out the new vision for the post-school system that the DHET is responsible for. The White Paper envisages significant expansion of the system at all levels (in keeping with targets in the National Development Plan/NDP), but particularly seeks to expand the vocational part of the system.

Presently, the DHET is developing the implementation plan for the Post-School Education and Training System and is amending legislation and policies in line with the WP-PSET. This next period will see amendments to legislation, as well as new legislation, to facilitate the effective implementation of the WP-PSET.

The South African skills challenge

The majority of South Africans are young, with two thirds of the population less than 34 years of age (one third are between the age of 15 and 34 years and one third under 15 years old). In 2014, the South African labour force was made up of 15 million employed and 7.5 million unemployed persons. Three quarters of the employed and 90% of the unemployed are from the African population group. Unemployment is particularly high amongst youth (two thirds of the unemployed are in the age group 15 to 34 years) and this is increasing as more young people join the labour force.

The education levels in the country are low. Of the employed population, 20% has a higher education qualification, 32% has completed senior secondary education, and close to half of the workforce do not have a grade 12 certificate. Close to two thirds of the unemployed has less than a grade 12 certificate. This translates to 11.75 million of the labour force with less than a grade 12 certificate.

The South African labour market is paradoxical with the structural mismatch between labour demand and supply: the labour market shows a demand for high skilled workers, but there is a surplus of low skilled potential workers. The economy must therefore respond to the twin challenges of participating in a globally competitive environment, which requires a high skills base, and a local context that demands more labour-intensive, lower-end wage jobs to absorb the large numbers who are unemployed, in vulnerable jobs and the growing levels of particularly young people, as first time labour market entrants. The skills development challenge is not to focus only on a small number of

skilled people in the workplace, but also on the unemployed, the youth, low-skilled people, the marginalised, and those in vulnerable forms of employment, including the self-employed.

The university and TVET college subsystems are the largest components of the PSET system. In 2014, there were around 1.1 million students in the university sector and 0.8 million students in the TVET sector. Completion rates at both universities and TVET colleges are less than desirable in that in 2014 there were 185 000 completers from the university sector and in the TVET sector while 21 000 NCV4 and 57 000 NATED6 wrote the examination, only 7 400 NCV4 and 24 200 NATED6 completed the programme.

Analysing skills development policy

Against the backdrop of the South African skills challenge, we traced the legislative and policy frameworks as well as the institutional arrangements for education, training and skills development since 1994. We conducted an extensive systemic review of the skills legislative and policy system and undertook focussed analyses of three core Acts in order to identify emphases that enable, as well as silences and gaps that may be impeding South Africa from meeting its developmental goals of decreasing poverty, inequality and unemployment.

We conducted an extensive systemic review of the skills legislative and policy system. Using a content analysis methodology we mapped the potential synergies, duplication and gaps across hundreds of policy principles, goals and implementation mechanisms. We focussed on the DHET skills legislation and policies as well as those from other government department who influence skill production – the Presidency and Department of Labour have a responsibility to improve the skills of youth and worker groups respectively. The DAFF and Department of Public Works also offer training to targeted groups; and economic departments (EDD, dti, DBSB) are responsible for job creation and influence the demand for skills. Other legislation that sets out active labour market and social inclusion strategies for redress and influence skills production are the BBBEE Act, Employment Equity Act and Co-operatives Act.

The policy worldview analysis showed that while the skills policy system as a whole is incorporating notions to set it up well to address poverty, inequality and unemployment, a much wider focus and explicit reference to specific target groups is needed, particularly towards youth who are not in employment, education and training (NEET) and key marginalised groups such as the rural poor. It has also shown that there is room for more strongly emphasising new actors and mechanisms to reach more people, in the skills development space, such as co-operatives, SMMEs, and very importantly, SOEs and government departments and public entities. The analysis has shown that DHET can be credited for its focus on formal post-school skilling but also for policy emphasis on RPL, foundational learning and for putting much more emphasis on adults.

If legislation is to act as a key lever for addressing poverty, inequality and unemployment, it must explicitly refer to these challenges, identify specific goals, and define specific target groups. Thus, while there is a general focus on youth, there appears to be a much smaller focus on youth not in education or in employment; the question is whether this target group and other specific target groups (like rural black women) should not be more explicitly targeted in skills legislation.

The analysis based on policy principles has focused on identifying supporting policy goals and implementation instruments and thereby categorised where the skills policy system foci lies. The findings raise the question of alignment, on the one hand, and policy coordination, on the other hand. Particularly with respect to the principle of promoting skills as an integral part of broader policies it is clear that this is currently not the case.

The analysis of instruments is potentially useful for future planning as it highlights where concrete mechanisms have been put in place in the skills policy system towards achieving particular policy goals

and related principles. It is powerful to find that when we select the three policy goals most directly dealing with the production of skills, we find that the emphasis of policy goals and instruments established to achieve them is skewed to the production of intermediate and high-level skills, and much less so to developing core skills and promoting employability, which is where the needs of the biggest proportion of both our employed and unemployed lie.

An in-depth analysis of specific core Acts in the PSET policy system augments our understanding of the enabling and impeding factors towards a skills development system that better addresses the challenges of poverty, unemployment and inequality. We focussed the analysis on three Acts:

- the National Qualifications Framework (NQF) Act No. 67 of 2008, which can be seen as an overarching act governing all education and training in the country;
- the Skills Development (SD) Act No. 97 of 1998, which *inter alia* addresses a marginalised but critical aspect of the post-school skilling system, namely workplace-based learning (WPBL), and;
- the Continuing Education and Training (CET) Act No. 16 of 2006, which unlike the other two Acts focuses specifically on the actual provision of skills development and key institutions set up in the post-schooling space for this purpose.

The main research question for these focused case studies therefore remains: how can legislation be used as lever to bring about change in the PSET/SD system so as to better address the challenge of high levels of poverty, inequality and unemployment. In particular the case studies ask: What were the original objectives for establishing the NQF and for adopting the SD and CET Acts, their respective conception and further development? What is the current space regulated by NQF legislation; what is the applicable domain and focus of the SD Act; and what does the CET Act try to achieve? In each case: what challenges can be discerned from the analysis of respective regulatory frameworks and from preliminary engagements with experts? What has been the role and impact of this legislation on poverty, inequality and unemployment, and what do legislative/regulative policy proposals promise or can be recommended?

Critical issues for improving skills development legislation

The analysis of the three core Acts governing the production of post-school skills development in South Africa thus raises six critical issues that may require legislative change.

Firstly, there is need to foster the consolidation and improved coordination of the emerging PSET system, particularly with focus on formal occupational qualifications. Essentially the recommendation here is to unbundle and rename the SD Act to reflect its purpose better, remove reference to 'skills development' that suggest a narrow conception (and thereby potentially pave the way for a broader use of skills development funding), assist to clarify the relations between the subsystems and particularly foster the inclusion, regulation and institutionalisation of WPBL within the PSET system as recognised by the *WP-PSET* as an issue. This should also provide for a distinct yet integrated regulatory framework governing trades and other occupational qualifications. The recommendations for the NQF Act also fit here in that a more flexible NQF (with provisions for multiple exit points and a more student-centred approach to regulation), and more clarity as to the OQSF and the relation between QCTO, Umalusi and CHE/HEQC, would support better articulation at NQF levels 1-4 and into NQF level 5 and beyond, which is a key bottleneck to progressions and articulation.

Secondly, there is an argument to be made with respect to skills development funding and particularly the funding of PSET expansion and WPBL. We have only done preliminary analyses of the SDL and

NSFAS Acts; so far, this suggests that they may be combined into a single PSET Funding Act or an HRD Funding Act or even incorporated in a comprehensive HRD Act. This has the potential to simplify the system as well as promote the notion of skills development as a function running across the PSET system and align skills development-related work of other departments (e.g. Public Works).

Thirdly, improving the quantity and quality of workplace-based learning/WPBL will not happen from a renaming and focusing of the SD Act and removal of provisions that fall outside the specifics related to occupational learning and WPBL and related aspects of the OQSF, QCTO, NAMB etc., and a reconsideration of the place and functions of NSA, that of SETAs, and their interrelation. While this would contribute to improving coordination and coherence across the PSET system and the provision of skills through WPBL, WPBL provision in the public sector and the private sector may need to be explicitly required in legislation (in a renamed and focused SD Act and/or in other legislation, along with considerations to link it to employment equity legislation). Especially government departments at all levels, public entities and SOEs, along with private sector employers of various kinds and other 'new' actors such as co-operatives may need to be required by means of legislation to provide WPBL opportunities and identify and train WPBL facilitators (akin to 'master artisans'). At the stroke of the pen, a major bottleneck in occupational skills development could be removed.

Fourthly, as we have argued based on our birds-eye view of legislative change over the last twenty years, much of the 'policy gaze' has been on higher education and only in recent years, under the leadership of the DHET, the policy gaze has moved towards continuing education (and TVET in particular). There is need to also consider the appropriate resourcing of the full PSET system (and each subsystem), qualifications and related curricula in the TVET and community colleges, the role of public and private sector employers in shaping this sector, and so forth. At the same time, while higher education is the subsystem that has the *least potential* at transforming the social structure of poverty and inequality (Cloete, Maassen & Pillay, 2017), its essential function in high skills development and knowledge production requires the continued expansion of the HE sector in keeping with the targets set by the NDP (and the South African skills challenge in general).

Our main argument is that with cognisance to the large number of students who do not gain a high quality Grade 12/NQF level 4 qualification that allows them automatic access into HE, expanding access to HE, particularly for those from disadvantaged schooling background, and creating better articulation and progression within the PSET system overall and the HE subsystem, are important. A set of matters will need to be addressed here: removing the NQF level 4 as bottleneck for low quality Grade 12 passes; creating an attractive occupational learning pathway (post-Grade 9/NQF level 1, and again post-Grade 12/NQF level 4) and ensuring a 'smooth' progression up the OQSF for occupational learners and NC(V) matriculants; as well as 'smooth' articulation between general/academic and occupational pathways for learners.

Currently, even within the HE subsystem, mobility of students between institutions enrolled in the same degree and disciplines are severely difficult (and the lack thereof may be considered an infringement on constitutional rights of students); even more so for students from TVET colleges and eventually students who may want to 'cross-over' from occupational into professional learning programmes and visa-versa. It seems clear that the NQF, without legislative or at least regulative intervention, may not provide such articulation as initially intended. Moreover, if higher education colleges are a distinct institutional type, their roles could suitably be to provide (1) access to the HE

band of occupational qualifications for NC(V) and NATED 3 TVET graduates, and (2) an alternative access route into universities (and thus academic and professional learning programmes) for NSC matriculants who fail to gain automatic entry into a desired higher education programme. The clarification of the function and role of higher education colleges may provide a new way of removing the bottleneck for low quality Grade 12 matriculants to access HE (and reducing learners' 'zig-zagging' through the NQF), if new HE colleges are created that focus specifically on access programmes. This then provides a potentially critical space for legislative improvement, where the requirements for admission need to be carefully defined and considered in relation to the purposes of such institutions.

Fifth, a problem in terms of NQF and articulation is not only the relation between occupational and general/academic learning pathways, and from NQF level 4 into higher education, but there is a similar and perhaps even more severe problem at NQF level 4 and below (which has been referred to in expert interviews as the 'zig-zagging' of students through the NQF). The original conception of an integrated post-school system in ANC policy of 1994 emphasised (what is now) Grade 9 or the General Certificate (i.e. NQF level 1), and conceived of the further education and training band correctly in binary terms of a general/academic pathway and a technical/occupational pathway, and two distinct types of providers: senior secondary schools and FET/TVET colleges. The extreme public hype around the 'matric' (the results of which annually lead to shattered futures) needs to be moderated and much more emphasis must be put on Grade 9/NQF level 1, and a choice between two equally attractive post-Grade 9 options: joining a TVET and gaining technical, vocational and general skills and potentially attractive career prospects along with future higher learning options; or continuing in the schooling sector and completing up to Grade 12 on that path. One part of realising this progressive vision is designing attractive NQF level 2 and 3 certificates (along with WPBL provisions that offer good career prospects and result in credible occupational exit qualifications), as well as an NC(V) that is as 'prestigious' as the 'matric'. Ensuring that there is a 'national core curriculum' and related learning outcomes in the occupational learning pathway that articulate with respective grade levels in the secondary schooling sector is important in this respect. Another part is to ensure that there is public awareness and sufficient 'simplicity' in the OQSF, so that the TVET route becomes a pathway of choice, rather than a second-best or even choice of last resort. The principle to work towards here is a parity of esteem between general/academic and occupational learning pathways.

Finally, a theme running across the legislative analysis has been (what we have called) the 'institutional sprawl' in the PSET-SD regulatory space, referring to the numerous authorities, councils, bodies, etc. that are *not directly involved in skilling* but have advisory functions and/or functions related to funding, governance, planning, quality assurance, and so forth. Simply from a resource point of view, one ought to ask whether every Rand spent on a 'CEO', her or his secretary, a 'council or board member' and all the bureaucracy that goes with it, is worth the Rand spent less on the potential learner who is excluded from skills development or the building of a campus in an underserved area that is postponed, particularly if we aim to use skills development legislation as a lever of change to change the lives of the poor, unemployed and underemployed. The systemic review equally confirmed that much (if not too much) of the skill policy system and its sub-goals focuses on *improving the regulatory structures and institutions for skills provisioning* as opposed to *actual skills production*. An overarching recommendation from the evidence presented in this report is therefore that the legislative framework over the next few years needs to play a much bigger role in enhancing the quantity and quality (*not quality assurance!*) of *actual provision*.

Summary of Recommendations

Responding to the South African skills development challenge

Skills development must respond to the twin challenge in the South African economy which involves participating in a globally competitive environment that requires a high skills base and a local context that creates low-wage jobs to absorb the large numbers who are unemployed or in vulnerable jobs. Unfortunately this paradox has been interpreted in skills policy similar to the way in which the relation between economic growth and inequality has been conceived - that investments in higher education would have a trickle-down effect for growth, inequality and unemployment.

While there is a need for continued investments in a differentiated higher education system, which contributes high-level skills development and knowledge production, drawing on the new evidence base established through this project, we argue that a greater impact on poverty, inequality and unemployment, which mostly affects persons who have not yet achieved an NQF level 4 qualification, can be made by stronger focusing on quality lower NQF level qualifications (1 – 4), both as goals in themselves as well as a pathways into high skills general/academic and occupational qualifications. Skills development must be focused not only on employability but result in a qualitative change in the lives of South Africans, fostering holistic human development, capabilities for sustainable livelihoods, and self-employment (and entrepreneurship) along with employment. It must also be accompanied by improved linkages between provider institutions, legislated WPBL, rationalised regulatory arrangements, and more flexibility for access to, articulation and progression in the NQF, and particularly unblocking bottlenecks at NQF level 4 and into qualifications in the higher education band (both the general academic and occupational pathways).

Recommendation 1: Prioritising skills development

Skill development is a necessary, but not sufficient condition for addressing poverty, inequality and unemployment. Thus, investments in PSET in particular, including workplace-based learning (WPBL) and non-formal learning, have to be considered alongside policy changes in macro-economic policy, industrial policy, and basic education, in order to reduce unemployment, inequality and poverty. As noted by others, skills development might be secondary to economic policy which contributes to low growth performance and an inability to engender strong redistributive outcomes and employment gains in South Africa (Bhorat et al, 2014). Bearing in mind this framing and limitations, we argue that *investing in PSET*, in addition to investments for better learning outcomes to basic education, *is a fail-safe policy to impact positively on poverty reduction and prevention, lowering inequalities, and access to and outcomes in, the labour market.*

The *White Paper for Post-school Education and Training (WP-PSET) 2014* maps out a new vision for the post-school system. There is significant expansion of the PSET system at all levels (in keeping with targets in the *National Development Plan*), but particularly at the level of the vocational part of the system (even if the focus of the current MTEF is on improving throughput/quality rather than nominal access and expansion). In addition, the DHET is currently developing the implementation plan (*National Plan*) for PSET and amending legislation and policies in line with the WP-PSET. It is likely that we will see further amendments to legislation, and new legislation, to facilitate the effective implementation of the WP-PSET. Since the creation of DHET, the PSET policy system has undergone

fast change. Overall, the DHET can be credited with having identified many existing bottleneck' in the system, diagnosing the problems and seeking new ways of addressing them. The recommendation here would be to continue to support the DHET at the level of enabling legislation and resourcing, in its efforts to develop an effective and efficient skills development system, and the formal PSET in particular, that is responsive to the South African skills challenge.

Recommendation 2: Explicitly setting out the policy goals of reducing poverty, inequality and unemployment in skills legislation

The national policy system has to drive skills development that addresses the skills needs of all, and especially of vulnerable and marginalised social groups: young people with complete or incomplete formal schooling who are not in employment, education and training (NEETs), workers in the informal economy, adult workers and work seekers, and disadvantaged groups in general. The new education and training policy framework put in place by the democratic government in the course of the 1990s was clear in its intentions and language by embracing a deliberate redress agenda. The time has come to revisit this redress agenda and set new policy goals that explicitly target a wider set of actors, stakeholders and processes to be able to effectively address the triple challenge. As these are not often explicitly set out in legislation this has led to poorly identified target groups. In addition to explicitly stating the policy intent and key target groups, legislation must include an indication of resources and the proportion of resources that will be allocated to these groups. These systemic silences limit the contribution that skills development legislation and policy can make towards addressing economic, social and developmental concerns. Alignment between the policy goals recognised in legislation and policy and active mechanisms (policy instruments) assigned to ensure that these goals foster effective implementation. Conversely, poor recognition of explicit policy goals at legislative and policy level translates into poor implementation of general policy intent.

Recommendation 3: Explicitly identifying target groups of skills development

Our systemic review of legislation and policy illustrates a strong emphasis on previously disadvantaged groups (especially black South Africans), youth and women, and expectedly so, learners and students. Reference to certain vulnerable groups such as people with disabilities, women, and black persons, appear almost always together with terms like learners and students. However, if the policy system seeks to directly address poverty, inequality and unemployment, then it should include in its definition of target groups *specifically* those that have been and continue to be marginalized from the system or are struggling to access the formal system: *youth not in education, employment or training, poor black rural and township communities, rural black women, and so forth*, which can then be more expressly targeted as vulnerable groups, and targeted policy mechanisms can be designed to reach them and provide them specifically with access to skills development (e.g. regarding the location of new campuses, institutional differentiation, and special needs provision). In addition to explicitly stating the target groups, legislation must include an indication of resources and the proportion of resources that will be allocated to these groups.

Shifting the policy gaze

Recommendation 4: Shifting the policy gaze from regulation to provision and outcomes

It is absolutely critical for addressing the triple challenge that PSET legislation shifts from its focus on governance, advising, planning, funding, quality assurance and standard setting for instance, towards *actual provision of skills*. Our research finds that the sprawl of regulatory institutions may have led to slow pace of change. The over regulation and bureaucratisation of the system may be impeding rather than facilitating skills delivery. In brief: institutional sprawl has led to implementation crawl.

The first principle here is to be guided away from a complex and over-crowded legislative and regulatory field (and related and overlapping authorities). There is excessive complexity in the skills development system overall, which must be simplified and efforts to rationalise regulatory institutions (e.g. related to planning, advising, and quality assurance) need to be considered seriously (see recommendations below). Moreover, the complexity and lack of flexibility creates severe difficulties and disincentives for key stakeholders (such as SMMEs) to participate in skills development (e.g. WPBL provision), and in communicating the opportunities in the PSET system to the wider population, and for specific marginalised target groups being able to understand, access and succeed in PSET.

The sheer number of bodies that have some role in relation to quality, for example, has reached unsustainable proportions (they include, inter alia, SAQA, CHE/HEQC, Umalusi, QCTO, 21 SETA, 93 professional bodies, NAMB, SAIVCET, and so forth). At the same time, provider institutions have internal quality assurance responsibility, and there should be a professional ethic of educators and assessors. The principle should be one of subsidiarity and accountability: Once a system has been developed and is settling down, the emphasis should be on the central monitoring of decentralised self-regulation and related accountability. Similarly, the number of bodies with planning, monitoring and/or advisory responsibility is excessive. They include, for example, NSA, HRDC, along with SAQA, CHE/HEQC, SETAs, skills development forums and so forth. There is need to consolidate and rationalise this system and, for example, centralise the planning of human resource development at a level where it can ensure policy and implementation alignment across government departments (see specific recommendations below).

Recommendation 5: Shifting the policy gaze to emphasise both higher education and continuing education and training

The higher education system has expanded to a level where it is now 'massified' and provides learning opportunities for close to 20% of the 20-24 year age cohort. Conversely, the vast majority of the same age cohort (80%) do not successfully participate in higher education, and the number of youth in general who are not in employment, education and training (NEET) is huge and growing. Our research shows that currently the skills policy system has a greater emphasis towards facilitating the production of higher and intermediate level skills than on core competence¹ and employability skills. Historically, the policy system has focused on developing higher-level skills, which we know to have limited reach

¹ These are for example, literacy, numeracy, communication, teamwork, problem solving and other relevant skills. The types of skills that are critical building blocks for further development and overall and learning ability, as well as the ability to adapt to change.

and impact on reducing inequalities. *The system needs to become better aligned to focus on the needs of the majority of our society (especially the vulnerable and marginalised).* We thus recommend a further strengthening of the policy emphasis on the Continuing Education and Training (CET) subsystem, i.e. skilling at Community and TVET institutions and focus more towards occupations, trades and WPBL especially at TVET and lower HE levels) alongside general/academic HE.

What is critical for this recommendation to be successful is a simultaneous process to ensure that TVET institutions and occupational qualifications are attractive and have parity of esteem in society. Critical pre-requisites are improved throughput/success rates and achieving closer links with workplaces (see recommendation related to WPBL). A further proposal is to more effectively communicate the value of TVET qualifications, offering improved career guidance at basic education level (pre-Grade 9), and legislating the binary post-Grade 9 provision of (compulsory) further education (and encouraging that job adverts include TVET qualifications as a requirement).

Recommendation 6: Providing for new actors to participate in skills development

New actors are needed to better address the skills needs of vulnerable and marginalised social groups by connecting, translating and facilitating the flow of information on skills needs of these groups and the types of skills development provision that is needed. Where there is a lack of suitable skills development providers, the actors that may have the necessary expertise (e.g. NGOs, extension officers) may also provide skills development, to address the gap. They are thus critical actors for the policy system to support if we are trying to move towards a more inclusive skills development system.

When we explore the extent to which such actors (for example, NGOs, CBOs, co-operatives and SMMEs) are included in governance structures or receive support in providing skills development, we find that the legislation and policy documents emphasise mainly the role of communities and community-based organisations. There is much less emphasis and recognition of the role that small and medium businesses can play in skills development, however they are an important focus for promoting employment amongst youth. There thus appears to be a gap in the recognition of such actors in skills legislation as well as promoting the sharing of responsibilities for skills development and promoting skills as an integral part of broader policies.

Related is also a more comprehensive consideration of the role that private providers can play in reaching vulnerable and marginalised target groups and serving their skills needs, be it at lower, intermediate and higher skills levels. The overall expansion of the PSET system must harness the role of private providers, ensuring their accountability and quality of provision, while enabling private providers to play a role complementary to that of public providers. In this respect, it is welcome that high quality private higher education institutions that fulfil certain criteria, may be allowed to call themselves universities. These criteria may suitably include requirements to make their learning programmes accessible to identified target groups.

Simplifying complexity and fostering flexibility

Recommendation 7: Recognising the NQF as overarching framework

The NQF provides for an overarching organising framework and legislation that covers the entire education and training system in South Africa. Creating a popular understanding of the NQF – e.g. levels of qualification, RPL, articulation and progression, pathways of learning, related provider institutions, and so forth - is imperative.

After twenty years, most people are only familiar with a small subset of qualification types, such as the National Senior Certificate (or, in common language, the ‘matric’), and higher degree names (such as the ‘bachelor’, ‘masters’, and ‘doctoral degree’) and even fewer regulatory entities (such as ‘Umalusi’). Naming qualifications in a manner that is easily understandable, especially on the new occupational framework (beyond the technical terms such as ‘occupational certificate level 4’), will greatly enhance the popular (and industry) understanding of the NQF, the relation between qualifications (including articulation and progression) and the respective roles of provider institutions and regulatory entities across the PSET system. Overall this requires the further development of OQSF qualifications and certificates in a manner that is simple and easy to understand.

Recommendation 8: Creating more NQF flexibility, multiple exit and entry points, and a student-centred system

Legislative intervention may be required to ensure better articulation, progression and student mobility (across bands, within bands, and across learning pathways). The principle here is to be guided by a learner/student-centred approach (rather than received NQF orthodoxies e.g. in terms of quality assurance, etc.). The lack of flexibility in the NQF (e.g. regarding multiple exit points) has severely negative implications for students and may contribute to inflating the numbers of incomplete qualifications (‘drop-out rate’). NQF flexibility must be legislated to require multiple exit point so that achieved learning outcomes are certified at a lower level of the NQF if a student fails to achieve all learning outcomes for the level he/or she is registered for. For example, a PG Dip must be awarded where a student registered for a coursework Master’s degree has achieved all NQF level 8 requirements, but failed to fulfil all the requirements (such as the dissertation component) for an award at NQF level 9; and/or awarding part-qualifications at all NQF levels. The principle of student-centeredness involves that it is better to gain a lower or part-qualification than no certified recognition of achieved learning outcomes.

Similarly, NQF flexibility and the principle of student centeredness should guide a comprehensive review of SAQA regulations as well as institutional rules that impact negatively on access, articulation, and progression. Another case in point are rules such as institutional ‘residency clauses’ and the like, which have inhibit student mobility (such as the actual freedom of students to move residence from one province to another and register to complete a qualification at a different institution). It should be clear that a constitutional right (to choose your place of residence) must have priority over institutional autonomy.

Unblocking bottlenecks and focusing on provision

Recommendation 9: Creating NQF level 1 (Grade 9) as certified exit point and legislating the binary provision of post-NQF level 1 skills development

The original conceptualisation of the NQF put emphasis on NQF level 1 (General Certificate; Grade 9) as first exit point marking the completion of compulsory schooling. The NDP proposes the extension of compulsory education from ten to thirteen years (from Grade R to Grade 12). It may be necessary to introduce a national assessment at Grade 9 that results in a General Certificate (as originally envisaged) and thus a comprehensive, comparable assessment of learner achievement to this point. This will be able to guide parents and learners to consider much earlier options for progression along a general/academic learning pathway (towards the NSC) or an occupational learning pathway (towards the NC(V) or a specific occupational certificate).

In this respect, it may be necessary to explicitly legislate the binary post-Grade 9 (post-NQF Level 1) provision of (future compulsory) further education in terms of a general/academic pathway and an occupational pathway, and with respect to different types of provider institutions, i.e. senior secondary schools and TVET colleges. Overall, this may go a long way towards addressing learners' 'zig-zagging' through the NQF insofar as less academically / more vocationally inclined learners can be identified earlier and be provided with attractive occupational learning paths where talents can be enhanced and skills development fostered through NQF/OQSF levels 2-4 and beyond, as part of an effective and efficient PSET system. This also involves that a set of valued and valuable qualifications are designed along with national occupational core curricula (post-NQF level 1) that articulate with an equivalent set of generic learning outcomes in the schooling sector (Grades 10-12). It also requires a massive expansion and legislated provision of WPBL (see recommendation below).

Recommendation 10: Improving access to, and success in higher education

There is a large number of youth that have a matric, but do not meet the entry requirements for university. With a focus on inclusion, these are key target groups for intermediate to high level skills development. Taking into account the recent amendments to the HE Act, especially the recognition of higher education colleges, there is new potential for HE to impact positively on inclusion. For this purpose, however, some issues require further clarification in legislation: While the definitions of university, comprehensive university and UoT are clear in the HE Act, the more recent inclusion of university college and higher education college as additional institutional types needs specification. Currently they have the same and indistinct definition as "higher education institution providing higher education, but with a limited scope and range of operations and which meets the criteria for recognition as a higher education college as prescribed by the Minister".

Higher education colleges could make a valuable contribution to expand access to these target groups as well as upgrade the overall level of skilling in society, by having lower admission requirements and providing specific bridging programmes and new kinds of learning programmes issuing in higher education 'access qualifications' (such as the Higher Certificate provided on the South campus of the University of the Free State). This would relieve some of the burden on universities to provide extended learning programmes and access programmes, and create a new access point into higher skills development, whether general/academic or occupational/professional.

At the same time, the role of UoTs (and comprehensives) in terms of providing learning pathways into and through higher education for TVET graduates, and specifically in relation to the OQSF, is not clear yet. While, on the one hand, we agree that TVET colleges play an important role in the provision of post-NQF level 4 qualifications (e.g. NATED 4-6), on the other hand, given the extent of the problem of high pre-matric dropout rates, poor matric passes, and low throughput rates in TVET colleges themselves, should we not be focusing on how legislation can be used and further strengthened to incentivise and support TVET colleges to become a provider of choice of occupational qualifications at NQF levels 1 to 4 (and limiting TVET post-NQF level 4 provision to a specific sub-set of occupational qualifications, such as NATED)? The danger of 'NQF level creep' by TVETs (as has happened since the change from technikons to UoTs) should be avoided.

Recommendation 11: Legislating the provision of WPBL

A key problem with respect to occupational learning programmes is the availability of quality WPBL opportunities, the provision of which is not institutionalised. As it is with respect to other subsystems in the ET system, where there are both public and private providers of education and training, the provision of WPBL should be seen to have a public component and a private component:

- (1) Public providers of workplace-based learning experiences potentially include all national, provincial or local government departments and all other public entities; as well as state-owned enterprises;
- (2) Private providers of workplace-based learning experiences potentially include all private sector employers of various kinds, be that large corporations, SMMEs, or cooperatives, NGOs and trusts (who have an appropriate minimum number of qualified employees to provide WPBL facilitation);
- (3) In addition, consideration should be given to development of WPBL centres that 'simulate' the workplace and, where occupationally appropriate, even create 'virtual' workplace-simulated environments.

Given the size of the public sector in particular, and of state-owned enterprises, there is a huge opportunity to legislate and therefore institutionalise WPBL here, along with corresponding regulations for the private sector.

Legislation could, for example, require employers (in the public and private sectors) to provide a minimum number of WPBL opportunities per number of employees with a certain minimum level of qualification. It could require employers to identify qualified employees to act as WPBL facilitators and for this purpose, support them to undergo regular training to be able to better facilitate WPB-learning and assessment (to develop into something akin to the notion of 'master artisans'). The provision of WPBL as well as the training of WPBL-facilitators should be incentivised by means of funding instruments (e.g. SD levy or its successor) and the lack thereof disincentivised by means of penalties. With WPBL opportunities being legislated in this manner, public and private sector employers and TVET/community colleges will have a strong interest in establishing and maintaining strong linkages. In this way, every workplace will become a training space.

Recommendation 12: Unbundling and renaming the SD Act

Currently, the SD Act includes provisions for skills planning, governance, funding and quality assurance as well as actual skills provision that include a WPBL component. There are good reasons for ‘unbundling’ and renaming the SD Act and focusing it on provision and related matters, while removing functions that are beyond that focus.

The core focus of an unbundled and renamed successor act to the SD Act should be actual *provision* so as to be able to address unemployment, inequality and poverty by means of legislative intervention in occupational and workplace-based skills development *directly* rather than indirectly. This may address a point frequently made by experts that SD work must be *institutionalised*. It may also address the current concerns noted by experts about the skewedness of PSET provision (in terms of the proportion of opportunities and outcomes in low, intermediate and high skills development). An unbundled and renamed SD Act could be called, for example, *Occupations, Trades, Professions, and Workplace-based Education and Training Act*.

Recommendation 13: Creating a Human Resources Development Act

Those provisions removed from the unbundled and renamed SD Act that relate specifically to skills planning and advice, and skills development funding, could be consolidated by means of a HRD Act. This provides an opportunity to rethink and revise the institutional arrangements involving various bodies with HRD-related planning and advising functions, such as the HRDC, NSA, NSF, SETAs, SD Forums, etc., and rationalise their functions. Consideration may need to be given as to which planning functions will need to remain within DHET and which functions may need to be coordinated at the level of the Presidency/DPME.

Related to this, the review of the SD Levies Act planned by the DHET will need to reconsider the conceptualisation, collection and disbursement of the current SD levy. Similarly, the NSFAS Act may also require reconsideration. Broader questions may need to be asked, not the least in light of the student protests in the HE and FET sectors since 2015: Who is meant to pay for skills development (both broadly conceived, as formalised and institutionalised HR development across the entire ET system, the PSET system in particular, and/or with a particular focus on WPBL)? Is the current SD levy-grant system an appropriate tool (as a tax on payroll), or are there other (additional or alternative) fiscal instruments that may provide much required resources to facilitate the NDP-proposed expansion? Should the collection of the SD levy be extended to government departments? Who should have authority to decide on the distribution of the levy (which essentially is a tax)? Is NSFAS the best (fiscal) tool to facilitate access to skills development for the poor (and missing middle)?

Such questions could suitably be considered and addressed in the process of unbundling the Skills Development Act and must be considered in relation to other legislation (especially the SD Levies Act and the NSFAS Act). The planning and funding part of the unbundled SD Act could be incorporated into a new *Human Resource Development (Planning and Funding) Act* to ensure that the skills development system is adequately resourced for addressing national inclusive development needs and reducing poverty, inequality and unemployment.