

2nd Draft Fasset SSP
1 April 2017 to 31 Mar 2022
1 August 2016



FASSET SECTOR SKILLS PLAN UPDATE FOR THE PERIOD 1 APRIL 2017 TO 31 MARCH 2022

**1 August 2016
Draft 2
2016**



FOREWORD

This annual SSP provides essential knowledge for the SETA Board to make decisions concerning the allocation of funding and interventions needed to meet both sectoral and national priorities.

The following national strategies were identified as important to the Fasset strategic plan: the National Skills Development Strategy III, the National Development Plan, the White Paper for Post-School Education and Training, the Companies Act, 71 of 2008 and the King Codes. Important policies include the sectoral Black Economic Empowerment Charters and the Employment Equity Act.

This SSP identifies skills priority areas by investigating the economic and labour market performance of the sector and the extent of skills mismatches within it, thus allowing the identification of the scarce skills required which are presented in a PIVOTAL skills list.

The allocation of funding for interventions required to address the PIVOTAL skills list was decided by the Fasset Board in July 2016. This includes discretionary grants and projects that will be utilised to address scarce and PIVOTAL skills.

Fasset has identified the following four strategic focus priorities for which relevant projects are to be implemented:

- The need for a long-term and holistic view of the skills pipeline;
- Ensuring that new entrants reach professional status;
- Strengthening the capacity of the Technical Vocational Education and Training (TVET) colleges and improving the absorption of TVET learners in the labour market and
- Supporting population group transformation of the sector.

This SSP will be useful to stakeholders such as employers, professional institutes, learners and education and training institutions in the sector, in that it identifies the skills required for the sector and can guide planning and implementation.

I am confident that Fasset will continue to conduct valuable research relevant to skills development in the sector, allowing for the implementation of appropriate interventions to meet the scarce skills, and education and training demands of the sector.

Thanking you,

Shahied Daniels

Acting Fasset Board Chairman

ABBREVIATIONS AND ACRONYMS

Abbreviation Acronym	Description
AAT (SA)	Association of Accounting Technicians
ACCA	Association of Chartered Certified Accountants
ACFESA	Association of Certified Fraud Examiners South Africa
AGSA	Auditor General of South Africa
ATR	Annual Training Report
B-BBEE	Broad-Based Black Economic Empowerment
CA(SA)	Chartered Accountant (South Africa)
CESM	Classification of Educational Subject Matter
CFE	Certified Fraud Examiner
CIMA	Chartered Institute of Management Accountants
CPD	Continuous Professional Development
CSSA	Chartered Secretaries Southern Africa
CTA	Certificate in the Theory of Accounting
DHET	Department of Higher Education and Training
DPSA	Department of Public Service and Administration
EEA	Employment Equity Act No. 55 of 1998
ETQA	Education and Training Quality Assurance Body
FET	Further Education and Training
FSB	Financial Services Board
GDP	Gross Domestic Product
GVA	Gross Value Added
HEI	Higher Education Institution
HEMIS	Higher Education Management Information System
HET	Higher Education and Training
IACSA	Institute of Accounting and Commerce
ICB	Institute of Certified Bookkeepers
ICBA	Institute of Certified Bookkeepers and Accountants
ICM	Institute of Credit Management
IDC	Industrial Development Corporation
IIASA	Institute of Internal Auditors of South Africa
IMFO	Institute of Municipal Finance Officers
IRBA	Independent Regulatory Board for Auditors
MoU	Memorandum of Understanding
NATED	National Programmes
NCV	National Certificate (Vocational)
NDP	National Development Plan
NLRG	National Student Financial Aid Scheme Loan Repayment Grant
NQF	National Qualifications Framework
NSC	National Senior Certificate
NSDS	National Skills Development Strategy
NSF	National Skills Fund
NSFAS	National Student Financial Aid Scheme

Abbreviation Acronym	Description
OFO	Organising Framework for Occupations
PAO	Professional Accountancy Organizations
PFMA	Public Finance Management Act
PIVOTAL	Professional Vocational Technical and Academic
QAP	Quality Assurance Partner
QCTO	Quality Council for Trades and Occupations
RA	Registered Auditor
SAIBA	Southern African Institute for Business Accountants
SAICA	South African Institute of Chartered Accountants
SAIGA	Southern African Institute of Government Auditors
SAIPA	South African Institute of Professional Accountants
SAIT	South African Institute of Tax Professionals
SARB	South African Reserve Bank
SARS	South African Revenue Service
SDL	Skills Development Levy
SETA	Sector Education and Training Authority
SIC	Standard Industrial Classification
SMMEs	Small, Medium and Micro Enterprises
SSP	Sector Skills Plan
StatsSA	Statistics South Africa
TVET	Technical and Vocational Education and Training
VAT	Value Added Tax
WIL	Work Integrated Learning
WSP	Workplace Skills Plan

EXECUTIVE SUMMARY

Fasset's sector includes 17 categories of the Standard Industrial Classification (SIC). Most of these categories fall within the main group "Finance, Real Estate and Business Services". In the 2014/2015 financial year a total of 5 676 organisations paid the Skills Development Levy (SDL) to Fasset. Employers in the sector include a number of government institutions such as the South African Revenue Service (SARS), the National Treasury and the Office of the Auditor General of South Africa (AGSA). A large portion of the workers in the Fasset sector are members of organised professions and their professional associations are important role-players in this sector.

The Fasset sector is demarcated in such a way that it is not possible to calculate its contribution to the total South African economy. However, it employs approximately 1% of the total South African workforce and 6% of the workers in the Finance, Real Estate and Business Services Sector.

The Finance, Real Estate and Business Services sector outperformed the rest of the economy by a substantial margin over the period 2006 to 2009, and in 2009 when the South African economy went into recession, it still grew by 1.1%. In the period after the recession the sector's growth slowed down and was only marginally higher than that of the total economy. At this stage indications are that the South African economy and the sector will grow only moderately over the next three years.

The vast majority of organisations in the Fasset sector are very small and 92% of the organisations in the sector employ fewer than 50 people. The majority (73.4%) of organisations in the sector belong to white people only. This situation will change if more Black (including African Black, Indian and coloured) people open their own professional practices and firms in the sector.

Employment in the sector grew from 127 000 in 2008 to almost 145 000 in 2016. Approximately 80% of the workforce is employed in the medium and large organisations in the sector.

Fasset's planning is to a very large extent influenced by national policies and strategies, especially the National Development Plan (NDP) and the White Paper for Post-School Education and Training. The Fasset sector is also a highly regulated sector and changes in legislation and in the regulatory environment are affecting the skills situation in the sector. The most important changes are the implementation of the Companies Act, 71 of 2008 which introduces new responsibilities for a range of professionals, including accountants, auditors, company secretaries, risk managers and internal auditors. Other changes include the expanding regulatory and governance requirements that follow the introduction of the King Codes, changes in the tax environment, changes in the regulation of the financial markets in the registration requirements for auditors and the imminent regulation of the accountancy professions. Developments in information and communication technology have had and continue to have a profound effect on the work of professionals in the Fasset sector.

The four most important skills issues that Fasset needs to contend with are:

- The need for a long-term and holistic view of the skills pipeline;
- Ensuring that new entrants reach professional status
- Strengthening the capacity of the Technical Vocational Education and Training (TVET) colleges and improving the absorption of TVET learners in the labour market and
- Supporting the population group transformation of the sector.

The analysis presented in this SSP clearly indicates that the supply of financial skills does not meet the demand for these skills in the Fasset sector and in the rest of the economy. The skills shortages are persistent – as the fact that the same occupations are identified by employers year after year illustrates. The occupations in which the largest shortages are experienced are:

	OFO Code	OFO Description	Need
1)	241101	Accountant (General) (including learners/trainees)	2 530
2)	241104	External Auditor	366
3)	251202	Programmer Analyst	290
4)	242102	Organisation and Methods Analyst	281
5)	121101	Finance Manager	265
6)	241301	Financial Investment Advisor	177
7)	242101	Management Consultant	172
8)	241103	Tax Professional	147
9)	251101	ICT Systems Analyst	138
10)	252101	Database Designer and Administrator	133

Skills shortages are to a large extent interlinked with the transformation goals of the organisations in the sector and will only be relieved through larger numbers of African Black graduates delivered by the education and training sector.

At this stage there is little statistical information available on the role of emigration in the creation of skills shortages. However, organisations in the sector employ foreign nationals especially in professional positions. This does, to some extent, help relieve skills shortages.

The reasons for the current mismatches in the sectoral labour market can be found at different points in the skills pipeline. The table below summarises the challenges that are experienced at each key point in the pipeline.

Key challenges in skills formation in Fasset's sector

KEY POINT IN PIPELINE		KEY CHALLENGES
FET LEVEL	School	Maths passes
		Career Guidance
	TVET Colleges	Content of N Courses
		Lecturer capacity
		Infrastructure
		Work placements (N Diploma)
	Professional body qualifications	Qualifications in demand outside Fasset's sector
		Work experience needed for completion of qualifications
HET Level	Students – First degrees and diplomas	Need for financial assistance
		Low throughput rates
		Inadequate number of academic staff
	Students – Post graduate degrees	Need for financial assistance
		Low pass rate on CTA
		Inadequate number of academic staff
	Professional body qualifications	Insufficient number of learners progress to professional status
		Slower transformation at this level
		Drop-out from learnerships before completion

KEY POINT IN PIPELINE		KEY CHALLENGES
Workplace	Job seekers	Work readiness and ability to find employment
	Ownership of firms	Slow transformation
	Employees	Scarcities remain in certain occupations
		Transformation of sector profile
		Career development - challenging for small firms
		Need for high-level specialisation remains

Fasset has, since its inception, developed long-standing partnerships with professional bodies and higher education institutions. These partnerships have become a crucial component of the SETA's interventions in the skills pipeline and consist mainly of professional bodies and educational institutions participating in Fasset's structures and Fasset funding projects initiated by professional bodies and education institutions through a dedicated funding window. Individual projects are monitored throughout and Fasset adapts its criteria for funding from time to time in order to give preference to the most successful intervention types. Placement in further education programmes and in employment remains a very important criterion for all these projects.

Professional bodies also perform certain functions in terms of the promotion and administration of their own qualifications and learnerships. This arrangement has enabled Fasset to remain a lean and effective organisation.

Historically the public TVET college sector has not been a major contributor of skills to the Fasset sector and Fasset has not been involved with TVET colleges. However, in 2013 Fasset started to engage with TVET colleges on a pilot basis. Based on the pilot results Fasset came to the conclusion that the best point of intervention is the placement of N6 learners for work experience. This intervention is continuing and has so far proved to be very successful.

In the setting of skills development priorities, the Fasset Board first took into consideration the skills formation process as it spans the lifetimes of individuals. Fasset attempts to address the full spectrum of the pipeline to varying extents. Emphasis is placed on overcoming the challenges at every point in the skills formation pipeline

The three broad areas covered by the skills development priorities are:

- Increasing the flow of new finance and accountancy entrants into employment,
- Developing and growing the skills required in the sector, and
- Facilitating transformation of the Finance and Accountancy Services Sector.

Specific priorities were set for each of these broad priority areas. Specific objectives and proposed targets to which Fasset can commit to are described in the Strategic Plan.

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RESEARCH PROCESS AND METHODS

Fasset uses several research processes in the development and updating of its Sector Skills Plans (SSPs). They include the following:

a) A five-yearly sector survey.

The last sector survey was conducted in 2012 and the report was finalised and published in 2013. The survey includes all the role players in the sector, namely:

- Employers (sample size 1200)
- Professional bodies (all professional bodies in the sector)
- Education and training providers (sample size 150)
- Learners (sample size 500)

The sector surveys focus on the following:

- To obtain a comprehensive picture of the sector, including the following:
 - The employer organisations in the sector;
 - Employees working in the sector;
 - The professional bodies active in the sector;
 - Relevant education and training providers in the sector; and
 - Learners entering, and already in, the sector.
- An analysis of the demand for and supply of labour to the sector, including an analysis of scarce skills and stakeholders' views on key issues relevant to skills planning in the sector; and
- The overall labour demand and supply situation in the sector, with specific emphasis on skills shortages and mismatches in the demand and supply situation that need rectification.

The Sector Survey combines quantitative and qualitative methods. All data is captured electronically and is analysed with appropriate software.

Fasset is conducting another survey in 2016 and the survey results will be included in future SSP updates.

b) A systematic analysis of trends in the sector

Fasset analyses trends in its sector on an annual basis. It recently completed a comprehensive trends analysis report looking at demand and supply-side figures over a period of ten years or more. This analysis uses different data sources and includes:

i. Information on organisations in the sector

Information is drawn from the Fasset Management Information System (MIS) on levy paying organisations in the sector.

ii. Information on the employment profile of the sector

The Workplace Skills Plan (WSP) data is used for this purpose. Since 2014 the WSP submissions include individual records of employees in medium and large firms and this information allows for an in-depth analysis of employee profiles. The data is weighted to compensate for organisations that do not submit WSPs.

iii. Scarce skills

Scarce skills or skills shortages are monitored through the WSP submissions.

iv. Supply-side information

Trends in output from the education and training system are monitored through:

- Higher Education Management Information System (HEMIS) data;
- Further Education and Training Management Information System (FETMIS) data;
- Fasset's learnership system; and
- SAICA's data system.

c) Ad hoc tracer studies and other projects

Fasset regularly conducts ad hoc studies that are incorporated into the SSP where appropriate. One such study involves the tracking of learners supported through Fasset's interventions with the TVET colleges.

d) Additional desk top research

In addition to these research initiatives, the SSP update is based on desktop research that looks for example at national policies and legislative changes that may impact on the sector and on skills needs in the sector. The desktop research also includes the incorporation of economic data obtained from Statistics South Africa (StatsSA's) time series data.

1. SECTOR PROFILE

1.1 INTRODUCTION

This first chapter of the Sector Skills Plan (SSP) provides a broad overview of the Financial and Accounting Services Sector – the sector served by Fasset. It starts with an explanation of the economic activities and organisations included in the sector and the way in which Fasset has grouped the different economic activities into subsectors. The chapter also provides an explanation of the key role players in the sector and their respective roles.

The labour market profile presented in Section 1.6 provides insight into the kind of skills that the sector employs and trends in employment as they were monitored by Fasset.

1.2 SCOPE OF COVERAGE

Fasset's sector includes 17 categories of the Standard Industrial Classification (SIC). Most of these categories fall within the main group "Finance, Real Estate and Business Services". Some of the economic activities described under the 17 SIC codes are similar and, in order to facilitate the meaningful analysis of data, organisations belonging to the sector have been re-categorised into seven subsectors.¹ The SIC categories and the subsectors to which each belongs are indicated in Table 1-1.

The subsector descriptions are generally self-explanatory. However, it should be noted that the development organisations belonging to the Financial and Accounting Services Sector include only those that provide financial assistance and (in some instances) business advice, such as the Industrial Development Corporation (IDC). Similarly, business and management consulting services encompass a wide range of activities and may also fall under other Sector Education and Training Authorities (SETAs). Only those organisations that choose to describe their main functions in terms of SIC code 88140 or 88142 are included in this subsector. Some of the accounting and auditing firms also provide business and management consulting services but, because accounting and auditing is their main business, they are classified in the subsector "Accounting, Bookkeeping, Auditing and Tax Services".

The subsector "Activities Auxiliary to Financial Intermediation" includes statutory bodies such as the Financial Services Board (FSB) and the Independent Regulatory Board for Auditors (IRBA), professional associations, as well as services not included in any of the other subsectors. Debt collection is an example of such a service.

Table 1-1 SIC and subsector descriptions

SIC Code	SIC Description	Subsector Name
81904	Investment Entities and Trusts	Investment Entities and Trusts and Company Secretary Services
88103	Company Secretary Services	
83110	Administration of Financial Markets	Stockbroking and Financial Markets
83120	Security Dealing Activities	
83121	Stockbroking	
88102	Asset Portfolio Management	
83180	Development Corporations and Organisations	Development Organisations
88101	Tax Services	Accounting, Bookkeeping, Auditing and Tax

¹ This categorisation is used consistently throughout all of Fasset's research reports.

SIC Code	SIC Description	Subsector Name
88120	Accounting, Bookkeeping and Auditing Activities, Tax Consultancy	Services
88121	Activities of Accountants and Auditors Registered in Terms of the Auditing Profession Act	
88122	Activities of Cost and Management Accountants	
88123	Bookkeeping Activities, including Relevant Data Processing and Tabulating Activities	
83190	Activities Auxiliary to Financial Intermediation	Activities Auxiliary to Financial Intermediation
88140	Business and Management Consulting Services	Business and Management Consulting Services
88142	Project Financial Management	
91108	South African Revenue Service (SARS)	SARS and Government Departments
9110E	National Treasury Provincial Treasuries	

1.3 KEY ROLE PLAYERS IN THE SECTOR

1.3.1 EMPLOYERS

In the 2015/2016 financial year a total of 5 529 organisations paid the Skills Development Levy (SDL) to Fasset (Fasset, 2016). Employers in the sector play a very important role in the development of skills for the sector and financial skills for the rest of the economy, especially in terms of the provision of work integrated learning.

Employers in the sector include a number of government institutions such as the South African Revenue Service (SARS), the National Treasury and the Office of the Auditor General of South Africa (AGSA).

1.3.2 PROFESSIONAL BODIES

The professional bodies set standards for education and training, set and maintain ethical codes and standards for professional conduct, investigate and deal with complaints of unprofessional conduct against their members, hold disciplinary enquiries and impose sanctions against practitioners who contravene the codes of professional conduct. Several professional bodies confer upon their members qualifications that are registered on the National Qualifications Framework (NQF). It is common practice that qualifications, professional designations and membership of the professional bodies are interlinked. Most of the qualifications that lead to professional designations require workplace experience in addition to academic training, and many are registered as learnerships with Fasset and other SETAs. Quality assurance of the majority of qualifications in the Fasset sector is managed by the professional bodies in partnership with Fasset, with Fasset retaining the responsibility of quality assuring workplaces offering learnerships to learners. Professional bodies are also active in the development of learnerships for the Fasset sector and for the broader economy. These learnerships serve as vital access routes to occupations as well as membership of the professional bodies and the designations conferred by the respective bodies. In addition, many professional bodies set requirements for the Continuous Professional Develop-

ment (CPD) that their members should meet in order to retain their membership and professional standing.

A number of professional bodies cooperate closely with SETAs to support a range of skills development initiatives within and outside the Fasset sector. Office-bearers and delegates of professional bodies are serving members of the Fasset Board, or have served as members. Representatives of professional bodies are also contributing to Fasset's working committees for professional bodies, employers and learners. In this manner stakeholders share their expertise, knowledge and resources for the greater benefit of the Fasset sector.

Table 1-2 lists the professional bodies that are active in the Fasset sector and that cooperate in various ways with Fasset. The table also shows their membership numbers over the period 2012 to 2016.

Table 1-2 Professional body membership: 2012 - 2016

Professional body	Acronym	2012	2013	2014	2015	2016
Association of Accounting Technicians	AAT (SA)	1 996	325	855	145	245
Association of Chartered Certified Accountants	ACCA	422	463	499	575	*
Association of Certified Fraud Examiners South Africa	ACFESA	2 800	3 500	3 900	4 021	6 213
Chartered Institute of Management Accountants	CIMA	1 700	1 772	1 947	2 273	*
Chartered Secretaries Southern Africa	CSSA	2 407	2 436	2 371	2 553	*
Institute of Accounting and Commerce	IACSA	807	770	702	944	985
Institute of Municipal Finance Officers	IMFO	1 843	2 260	*	1 935	2 000
Institute of Certified Bookkeepers	ICB**	3 358	4 216	*	*	*
Institute of Certified Bookkeepers and Accountants	ICBA**	*	*	2 639	2 197	1 267
Institute of Credit Management	ICM	938	938	1 132	2 080	*
Institute of Internal Auditors of South Africa	IIASA	7 822	8 683	8 251	7 426	7 093
South African Institute of Chartered Accountants	SAICA	34 603	35 393	36 749	37 923	40 318
South African Institute of Tax Professionals	SAIT	4 180	*	10 301	11 219	12 534
South African Institute of Professional Accountants	SAIPA	7 168	7 563	8 073	8 699	8 956
Southern African Institute of Government Auditors	SAIGA	450	404	415	439	*
Southern African Institute for Business Accountants	SAIBA	1 151	1 469	2 009	5 462	5 367

*No information received from these professional bodies in these particular years. In some instances professional bodies only release membership figures at the end of a calendar year. Their 2015 data is thus the most recent available data.

**In 2012 the professional body and training provider functions of the ICB were separated and a new professional body, the ICBA, was formed.

Source: Information provided by professional bodies in the years 2011 – 2016.

1.3.3 REGULATORS

Some of the employers in the Fasset sector are also regulators of components of the sector. SARS is the regulator of tax practitioners, IRBA is the regulatory body for auditors and the FSB is responsible for the regulation of financial service providers. These institutions work very closely with the voluntary professional bodies and they play an important role in the setting of educational standards, standards of professional conduct and CPD requirements.

1.4 ECONOMIC PERFORMANCE OF THE SECTOR

The Fasset sector forms part of a broader sector in the national accounts – the Finance, Real Estate and Business Services Sector. The Fasset sector is demarcated in such a way that it is not possible to calculate its contribution to the total South African economy. However, it employs approximately 1% of the total South African workforce and 6% of the workers in the Finance, Real Estate and Business Services Sector.

As the Fasset sector forms a relatively small component of the total sector, the economic information does not provide a pure reflection of the economic performance of Fasset's sector uniquely. Nevertheless, it provides some insight into the economic factors that impact on employment and the demand for skills in the Fasset sector.

Gross value added (GVA) at basic prices (normally used in relation to a sector) or gross domestic product (GDP) (normally used in relation to a national economy) is defined as output less intermediate consumption. GVA (or GDP) is usually considered to be the best measurement of the activity within and performance of a sector (or economy). The changes in GVA between 2005 and 2015 of the Finance, Real Estate and Business Services sector can be seen in Figure 1-1. This sector outperformed the rest of the economy by a substantial margin over the period 2006 to 2009, and in 2009 when the South African economy went into recession, it still grew by 1.1%. In the period after the recession the sector's growth slowed down and was only marginally higher than that of the total economy. However in 2015 growth of the sector stood at 2.8% while the total economy grew only by 1.3%.

At this stage indications are that the South African economy and the sector will grow only moderately over the next three years. In the 2016 Budget Review the National Treasury projected GDP growth of 1.3%, 0.9% and 1.7% (National Treasury, 2016).

The relationship between economic growth, employment growth in the Fasset sector and the effect on skills development are discussed in more detail in Chapter 3.

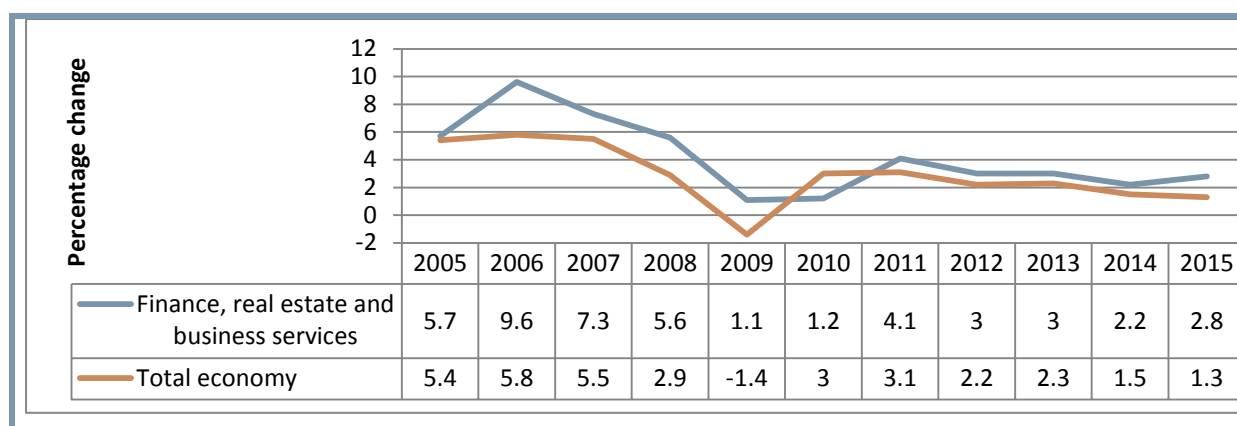


Figure 1-1 Changes in Gross Value Added: 2005-2015

Source: Statistics South Africa (StatsSA), PO441, Fourth Quarter 2015

1.5 EMPLOYER PROFILE

1.5.1 SUBSECTOR DISTRIBUTION

The distribution of levy-paying organisations in Fasset's sector across the seven subsectors can be seen in Figure 1-2. The largest percentage (37%) of organisations can be found in the subsector Accounting, Bookkeeping, Auditing and Tax Services. This subsector consists of a

few large accounting and auditing firms and a large number of smaller accounting and auditing practices. Government departments do not pay skills development levies to SARS, but their contribution of 30% of 1% of their payrolls is received via a separate payment to the SETA.

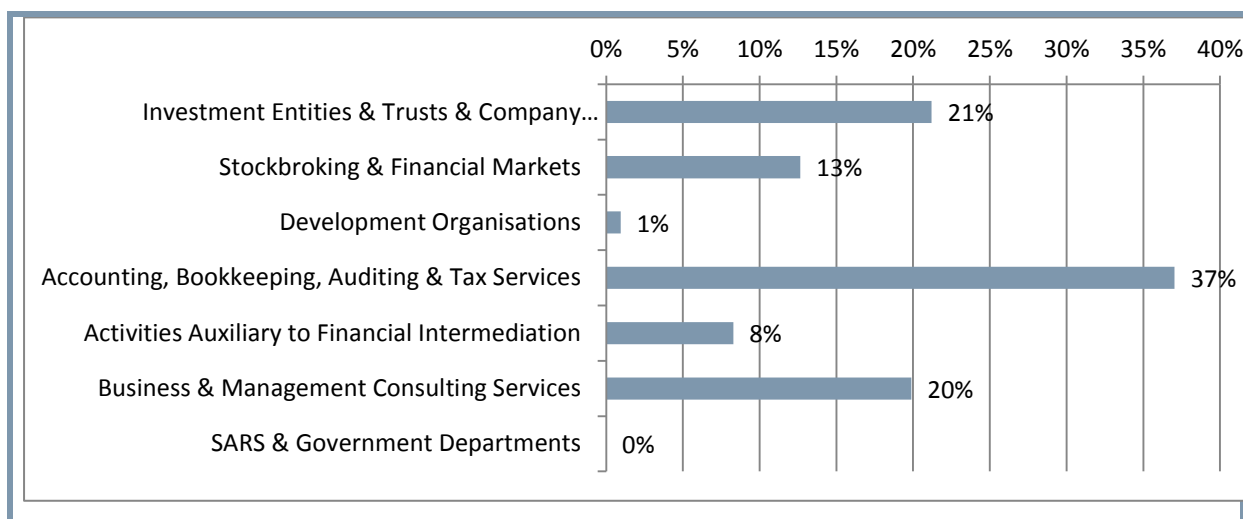


Figure 1-2 Subsectoral distribution of levy payers in the Fasset sector: 2016

Source: Fasset data system 2016

1.5.2 ORGANISATION SIZE

The majority of organisations in the Fasset sector are very small (Figure 1-3). More than 90% employ fewer than 50 people and just more than 8% of organisations employ 50 or more people.

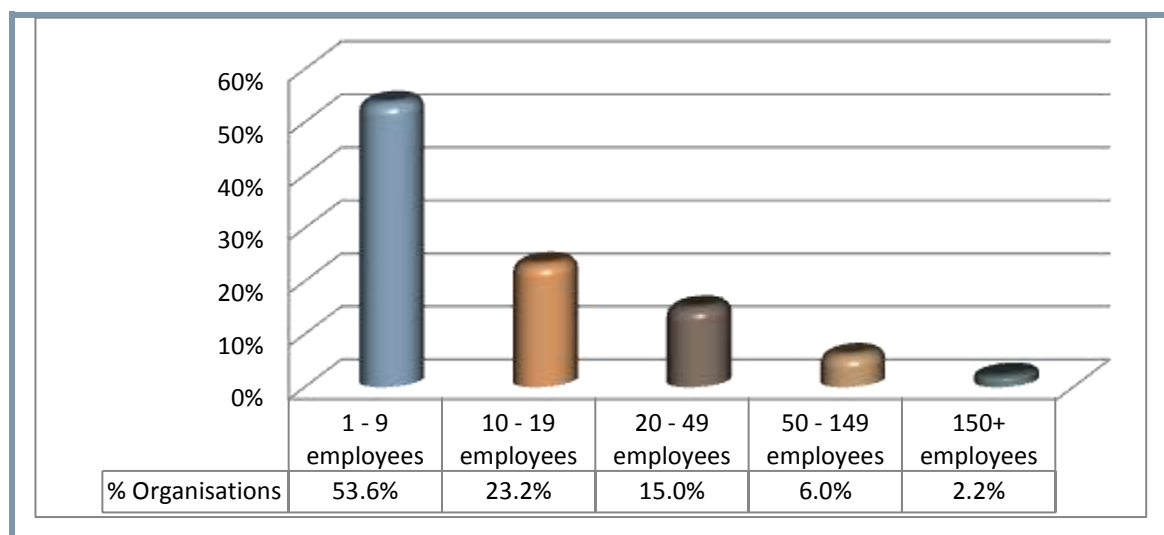


Figure 1-3 Organisations in the Fasset sector according to organisation size

Source: Fasset Sector Survey, 2013

1.5.3 EQUITY OWNERSHIP

In 2013 the majority (73.4%) of organisations in the sector belong to white people only. These organisations employ 36.7% of the total workforce. Organisations with mixed ownership employ 26.3% of the workers in the sector while Government and public entities employ 16.2% of the workers. A total of 6.4% of the organisations in the sector belong to African Blacks only and these organisations employ 2.8% of the total workforce (Table 1-3).

As the vast majority of organisations in the sector are small, it is unlikely that the employment equity legislation and Broad-Based Black Economic Empowerment (B-BBEE) Codes will have a major effect on the ownership profile of the sector. The profile is more likely to change through Black (including African Black, Indian and coloured) people opening their own professional practices and firms in the sector. The conditions required for this is an area that needs to be investigated.

Table 1-3 Equity ownership of organisations in the sector

Subsector	Organisations		Employment
	N	%	%
African Black only	272	6.4	2.8
Coloured only	58	1.4	1.0
Indian only	129	3.0	1.2
White only	3 124	73.4	36.7
Mixed ownership	261	6.1	26.3
Government and public entities	12	0.3	16.2
Chinese	4	0.1	0.0
Other- cannot determine ownership e.g. international company, trust, board	174	4.1	10.9
Ownership not specified	220	5.2	4.8
TOTAL	4 254	100.0	100.0

Source: Fasset Sector Survey, 2013

1.6 LABOUR MARKET PROFILE

1.6.1 EMPLOYMENT TRENDS

Fasset's sector is demarcated in such a way that it doesn't correspond with the subsectors used in the national datasets. For this reason Fasset has developed its own estimates of employment in the sector and, by applying the methodology consistently over time, it has tracked employment in the sector. Employment estimates over the period 2008 to 2016 can be seen in Figure 1-4.

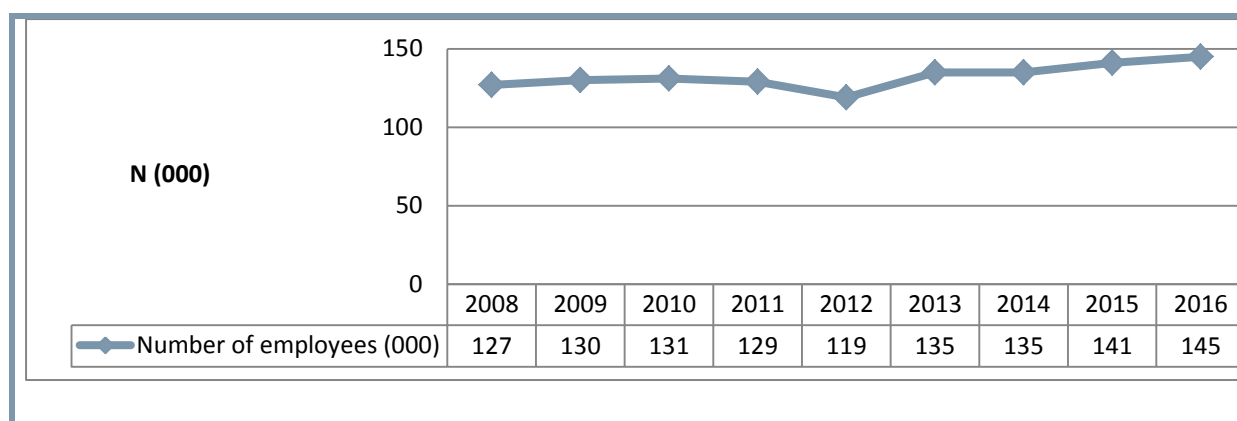


Figure 1-4 Estimates of total employment* in the Fasset sector: 2008 – 2016

*Due to rounding total employment figures may vary slightly through the report.

Source: Fasset, Trends in Employment and Training in the Fasset Sector, 2016.

The subsector Accounting, Bookkeeping, Auditing and Tax Services is by far the largest and in 2016 it employed 39% of the workers in the sector. The second largest subsector is Business and Management Consulting Services, followed by the subsector Stockbroking and Financial Markets (Table 1-4).

Table 1-4 Subsector distribution of employees: 2013 - 2016

Subsector	2013		2014		2015		2016	
	N	%	N	%	N	%	N	%
Investment Entities and Trusts and Company Secretary Services	7 828	6	11 189	8	12 924	9	11 984	8
Stockbroking and Financial Markets	12 467	9	12 080	9	17 362	12	16 739	12
Development Organisations	2 333	2	1 716	1	2 254	2	1 548	1
Accounting, Bookkeeping, Auditing and Tax Services	49 351	37	62 460	46	55 335	39	56 971	39
Activities Auxiliary to Financial Intermediation	19 648	15	11 022	8	12 201	9	15 497	11
Business and Management Consulting Services	26 258	19	22 354	17	23 497	17	27 341	19
SARS and Government Departments	17 306	13	14 247	11	17 391	12	14 692	10
Total	135 191	100	135 068	100	140 964	100	144 772	100

Source: Fasset, Trends in Employment and Training in the Fasset Sector, 2016.

1.6.2 PROVINCIAL DISTRIBUTION OF EMPLOYEES

Being the economical hub of South Africa, Gauteng is the province where most workers in the sector are employed. In 2015, 58% were based in Gauteng, 22% in the Western Cape and 8% in Kwazulu-Natal. Relatively small percentages of employees were located in the remaining six provinces (Table 1-5).

Table 1-5 Provincial distribution of employees: 2013 - 2016

Province	2013		2014		2015		2016	
	N	%	N	%	N	%	N	%
Eastern Cape	6 372	5	5 007	4	5 921	4	5 623	4
Free State	4 334	3	2 531	2	3 169	2	2 686	2
Gauteng	71 227	53	70 368	52	80 455	57	83 859	58
KwaZulu-Natal	11 048	8	9 684	7	10 851	8	11 290	8
Limpopo	5 020	4	4 145	3	3 438	2	2 285	2
Mpumalanga	2 803	2	932	1	2 898	2	2 253	2
Northern Cape	2 784	2	2 380	2	3 161	2	3 530	2
North West	1 647	1	1 166	1	1 332	1	1 288	1
Western Cape	28 052	21	24 926	18	29 657	21	31 487	22
Unknown	1 903	1	13 929	10	81	0	472	0
Total	135 190	100	135 068	100	140 963	100	144 772	100

Source: Fasset, Trends in Employment and Training in the Fasset Sector, 2016.

1.6.3 EMPLOYMENT PER OCCUPATIONAL GROUP

The distribution of employment in the Fasset sector according to the main occupational groups of the OFO can be seen in Table 1-6. The table shows that professionals are the largest group of workers in the sector, followed by clerical support workers. The relatively high percentage of managers can be ascribed to the large number of smaller organisations in the sector. The managers in this sector are mostly sourced from the pool of professionals and most of them are professionals with membership of professional bodies.

Table 1-6 Employment per occupational group: 2013 - 2016

Occupation group	2013		2014		2015		2016	
	N	%	N	%	N	%	N	%
Managers	25 754	19	19 814	15	24 802	18	22 639	16
Professionals	47 012	35	47 899	35	48 435	34	59 629	41
Technicians & Associate Professionals	15 722	12	21 765	16	19 596	14	16 187	11
Clerical Support Workers	33 181	25	36 103	27	37 898	27	36 592	25
Service & Sales Workers	8 204	6	4 541	3	5 341	4	4 071	3
Skilled Agricultural, Forestry, Fishery, Craft & Related Trades Workers	323	0	339	0	443	0	673	0
Plant & Machine Operators & Assemblers	759	1	932	1	717	1	902	1
Elementary occupations	3 622	3	3 674	3	3 731	3	3 224	2
Unknown	614	0		0		0	855	1
Total	135 191	100	135 067	100	140 963	100	144 773	100

Source: Fasset, Trends in Employment and Training in the Fasset Sector, 2016.

1.6.4 EDUCATIONAL QUALIFICATIONS

Forty per cent of the employee records in Fasset's Sector Survey did not mention educational qualifications. The qualification levels of those that were submitted can be seen in Figure 1-5. The majority (69%) of employees had post-school qualifications. Only 4% of the total workforce had qualifications below Grade 12.

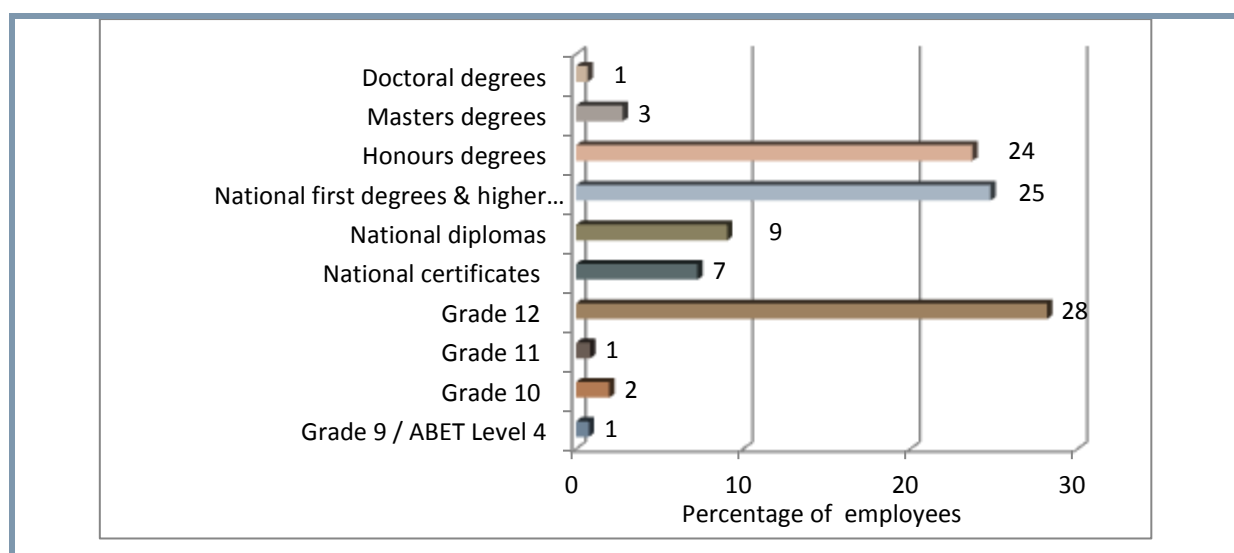


Figure 1-5 Highest qualifications of employees

Source: Fasset Sector Survey, 2013

1.6.5 POPULATION GROUP

In 2016, 39% of the workforce in the Fasset sector was African Black, 12% was coloured and 9% Indian. White people constituted 35% of the workforce in the sector and non-South Africans 5% (Table 1-7).

African Black people have traditionally lagged beyond other population groups in the Fasset sector. Twenty four per cent of the managers, 30% of professionals, 38% of the technicians and associated professionals and 55% of clerical support workers in the sector were African Black. From 2012 to 2015 black² employment increased from 57% to 60% of total employment in the sector (Fasset, 2016). In 2016 it remained at 60%. The employment of foreign nationals increased, however, by three percentage points between 2015 and 2016. Most of them are professionals and are employed by large organisations.

² Black African, coloured and Indian.

Table 1-7 Employees according to occupation and population group: 2016

Occupational group	African Black		Coloured		Indian		White		Non-South African		Total	
	N	%	N	%	N	%	N	%	N	%	N	%
Managers	5 498	24	2 578	11	2 387	11	11 456	51	719	3	22 639	100
Professionals	17 891	30	5 678	10	6 384	11	24 066	40	5 610	9	59 629	100
Technicians and Associate Professionals	6 146	38	2 343	14	1 280	8	6 050	37	369	2	16 187	100
Clerical Support Workers	19 946	55	5 558	15	2 789	8	7 745	21	554	2	36 592	100
Service and Sales Workers	2 635	65	396	10	130	3	707	17	203	5	4 071	100
Skilled Agricultural, Forestry, Fishery, Craft and Related Trades Workers	364	54	44	7	31	5	231	34	3	0	673	100
Plant and Machinery Operators and Assemblers	614	68	92	10	14	2	102	11	79	9	902	100
Elementary Occupations	2 653	82	346	11	25	1	162	5	39	1	3 224	100
Unknown	495	58	136	16	51	6	151	18	22	3	855	100
Total	56 241	39	17 171	12	13 092	9	50 670	35	7 598	5	144 772	100

Source: Fasset data system, 2016.

1.6.6 GENDER

Most of employees in the Fasset sector are women (Table 1-8). In 2016, 47% of managerial-, 53% of professional-, 60% of technician and associate professional- and 76% of clerical support worker positions were occupied by women.

Table 1-8 Gender according to occupation group: 2013 - 2016

Occupation Group	2013			2014			2015			2016		
	N	F	%*	N	F	%*	N	F	%*	N	F	%*
Managers	10 415	40	60	7 805	39	61	10 328	42	58	10 631	47	53
Professionals	23 896	51	49	23 956	50	50	25 400	52	48	31 482	53	47
Technicians & Associate Professionals	7 711	49	51	11 025	51	49	10 399	53	47	9 652	60	40
Clerical Support Workers	26 618	80	20	27 531	76	24	28 684	76	24	27 648	76	24
Service & Sales Workers	5 311	65	35	1 630	36	64	3 086	58	42	1 845	45	55
Skilled Agricultural, Forestry, Fishery, Craft & Related Trades Workers	16	5	95	61	18	82	88	20	80	136	20	80
Plant & Machine Operators & Assemblers	56	7	93	39	4	96	51	7	93	96	11	89
Elementary occupations	2 097	58	42	1 967	54	46	2 119	57	43	1 785	55	45
Unknown	109	47	53							566	66	34
Total employees	76 229	57	43	74 014	55	45	80 155	57	43	83 841	58	42

* Percentage of employees in that occupational group.

Source: Fasset, Trends in Employment and Training in the Fasset Sector, 2016.

1.6.7 AGE

In 2016, the majority (82%) of the employees in organisations that employ 50 or more people were younger than 46 years (Figure 1-6). Of these 14% were 25 years or younger, 42% were from 26 to 35 and 26% were from 36 to 45 years. The Fasset sector is generally regarded as a training sector with large numbers of learners on learnerships – especially on the Chartered Accountant ((CA)SA) and Professional Accountant learnerships. This is the main reason for the relatively youthful profile of the sector.

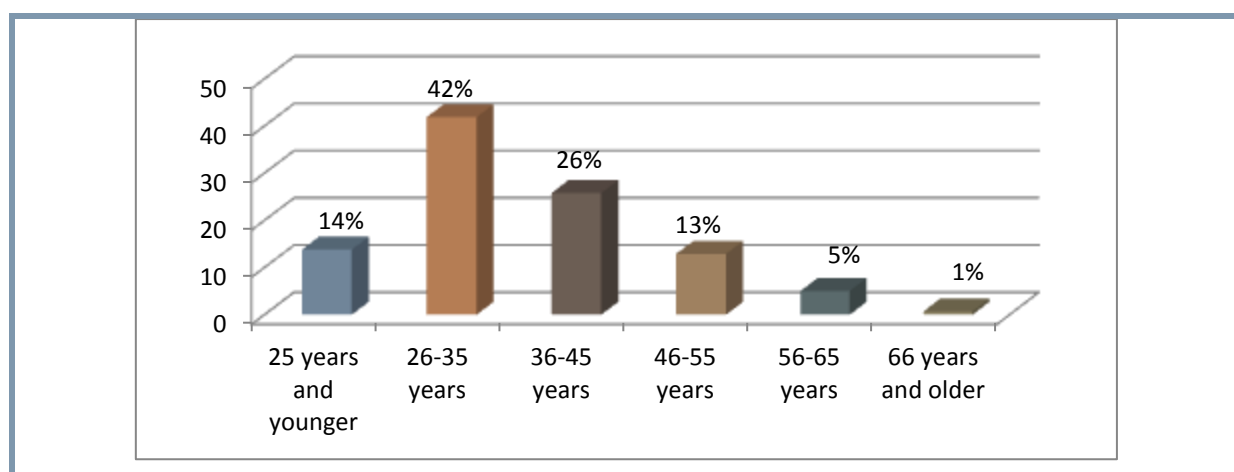


Figure 1-6 Age distribution of employees* in the sector, 2016

*Data only available for organisations that employ 50 and more people as this is the requested format in Annexure 2.
Source: Calculated from Fasset data system, 2016.

1.6.8 DISABILITY

In the 2016 Workplace Skills Plan (WSP) submissions employers reported 1 212 people with disabilities – 1% of total employment in the sector at the time. The largest number of disabled people (1 703) was employed in the occupation groups managers, professionals, technicians and associate professionals and clerical support workers (Table 1-9).

Table 1-9 Disabled workers according to occupation group: 2016

Occupation Group	Disabled workers	Total employment	% of employment*
Managers	284	22 639	1
Professionals	343	59 629	1
Technicians and Associate Professionals	212	16 187	1
Clerical Support Workers	335	36 592	1
Service and Sales Workers	4	4 073	0
Skilled Agricultural, Forestry, Fishery, Craft and Related Trades Workers	0	673	0
Plant and Machinery Operators and Assemblers	1	900	0
Elementary Occupations	31	3 224	1
Unknown	2	855	0
Total	1 212	144 772	1

Source: Calculated from Fasset data system, 2016.

* Due to the small percentages, the percentages are not disaggregated further.

1.7 CONCLUSIONS

This chapter provides a high-level overview of the Fasset Sector. The sector falls within broader Finance, Real Estate and Business Services Sector but its demarcation does not allow for the tracking of its economic performance or for the comparison of its employment data with external sources. Fasset therefore relies on its own data system to track changes in the sector over time.

The sector served by Fasset is relatively small and consists mainly of micro- and small organisations, many of which are professional practices. However, about 80% of the employees

in the sector work in the small number of large- and medium-sized organisations. Fasset is thus left with the challenge of balancing the needs and interests of small, medium and micro enterprises (SMMEs) as well as those of large organisations.

The organisations belonging to the sector are largely concentrated in the metropolitan areas of Gauteng, the Western Cape and KwaZulu-Natal. This limits Fasset's ability to reach out to rural areas and to roll out large-scale skills development interventions in rural areas.

The services rendered by organisations in the sector are mainly of a specialised and professional nature; consequently, the sector tends to employ large numbers of professionals and the majority of employees have post-school qualifications. These workers are supported by clerical and administrative staff, which also constitutes a substantial proportion of the employees in the sector.

A special feature of the sector is the presence and influence of a number of professional associations whose roles have become ingrained in the sector's qualification structure, in the organisation of education and training, and in the professional designations used in the sector. The professional bodies play a very important role in skills development in the sector.

The sector has been undergoing transformation over the last ten years and currently black people comprise 60% and African Blacks 39% of total employment. However, equity ownership remains mostly in the hands of whites. This can, in part be ascribed to the fact that few Black professionals have opened their own professional practices and small businesses in the sector. Transformation of the sector remains a priority that influences all Fasset's skills development interventions.

The 2016 data shows that management in the sector is no longer dominated by men and that almost half of the managers are women. Furthermore, most employees in the sector, including professionals from which managers are usually sourced, are women.

2 KEY SKILLS ISSUES

2.1 INTRODUCTION

This chapter explores the factors that drive changes in the demand for and supply of skills in the Fasset sector. The key drivers of change in the sector are identified in Fasset's five-yearly sector surveys. During these surveys the views of the different stakeholder groupings on different aspects of the skills situation in the sector are gauged and in the years in-between the surveys changes in these areas are monitored through the desk-top research and stakeholder engagements that form part of the SSP development.

Fasset's sector is a highly regulated sector and currently it is subject to a spectrum of regulatory changes. Many of the regulatory changes are prompted by international trends in the regulation of financial services and are aimed at ensuring a stable and trustworthy financial system. The most eminent regulatory changes are discussed in this chapter along with the national policies and strategies that influence Fasset's planning and with which Fasset is aligning its skills planning. Other change drivers that are also considered are technological changes and the demand for financial skills in the rest of the economy. The chapter starts with these two change drivers.

2.2 CHANGE DRIVERS IN THE SECTOR

2.2.1 DEVELOPMENTS IN TECHNOLOGY

Developments in information and communication technology have had and continue to have a profound effect on the work of professionals in the Fasset sector. It has, in many respects, made their work easier – for example accounting software has simplified the work of accountants (Attolini and Thompson, 2014) and SARS's online tax platform has simplified the work of all tax practitioners. However, accountants, auditors and many other professionals in the financial field need to stay abreast of changing technology and the associated business risks. At the same time they need to advise their clients on how to manage the risks and apply new skills to use technology effectively.

Data security is becoming a crucial issue and all businesses have to introduce additional measures and controls to safeguard data security and to ensure statutory compliance with the manner in which information is collected, stored, used and destroyed. This drives the need for information technology professionals and technicians in the sector.

2.2.2 THE DEMAND FOR FINANCIAL SKILLS IN THE REST OF THE ECONOMY

The demand for financial skills in the rest of the economy impacts on the Fasset as it has to compete with organisations from other sectors for the same supply pool of qualified financial professionals. If there is a shortage of these qualified professionals it drives up the cost of employment for the organisations in Fasset's sector. It is thus in the interest of Fasset's own organisations to ensure a sufficient supply of financial skills for the country – a role that the sector has been fulfilling over the years. Fasset's sector serves as an "incubator" or training sector for high-level financial skills for the country, and many of Fasset's learnership and other grants serve to develop financial skills for the country as a whole. Given this context, Fasset needs to take a broader (than its own sector) perspective with regard to skills development.

2.3 ALIGNMENT WITH NATIONAL POLICIES AND STRATEGIES

2.3.1 THE CHANGING REGULATORY ENVIRONMENT FOR FINANCIAL SERVICES

a) The Companies Act, 71 of 2008

When the Companies Act, 71 of 2008 came into operation on 1 May 2011, it introduced fundamental and comprehensive reform of company law which had been in existence for more than 30 years. New categories of companies were created, each with different rules and standards for reporting and governance. Notably, only prescribed categories of companies now have to undergo annual audits. The Act also introduces new responsibilities for a range of professionals, including accountants, auditors, company secretaries, risk managers and internal auditors (Department of Trade and Industry, 2010).

As the new legislation is implemented, the demand for the services of registered auditors is dropping and the demand for financial service professionals who can act as independent reviewers is increasing. New occupations or specialisations such as *business rescue practitioners* are also arising. Similarly, this change in occupational demand is also reflected in the demand for learners on professional body learnerships. Employers tend to create more opportunities for learners in the accounting and tax functions than in the audit functions.

b) Expanding regulatory and governance requirements

Because of many factors, including globalisation, technological changes and an increase in white-collar crime and corruption, the business environment is becoming more regulated. Investigations into the financial position of organisations and their operating systems are becoming more penetrating and comprehensive in order to provide corporate governance assurances. As a result of the increases in regulatory requirements, more skilled persons are needed and more is expected from professional accountants in terms of governance and oversight. At the same time higher international standards are set for auditing and financial reporting and regulators and standards-setting institutions require the accounting profession to adopt the new reporting standards and to communicate more effectively and comprehensively in corporate reports (Fasset, 2013).

The *Code and Report on Governance Principles for South Africa (King III)* which became effective in March 2010 has broadened the scope of corporate governance in South Africa. King III specifically emphasises leadership, sustainability, and corporate citizenship. It recommends that an entity produce an integrated report (in place of an annual financial report) and a separate sustainability report. The integrated report should include not only financial information, but also information on the social and environmental impact of the entity (World Bank, 2013). At the time of writing this SSP update, the draft King IV report was out for public comment. Differences between King III and IV span different areas and a full analysis falls outside the scope of the SSP. Suffice to say that King IV emphasises disclosure and transparency and that the disclosure requirements in the Code are far more onerous than previous requirements. Furthermore, since the release of the King III, the Integrated Reporting Framework was released by the International Integrated Reporting Council and the concepts and principles introduced by this Council have been reaffirmed in the King IV Code while the philosophy of integrated thinking has been incorporated into the Code. (Deloitte, 2016). Corporate governance officers and accounting professionals bear the brunt of ensuring that companies meet the required standards for integrated and sustainable reporting.

c) Changes in the tax environment

A number of factors are driving the need for more tax practitioners and tax specialists. Among these are the effects of globalisation and the increasing complexity of business practices and the intricacies of tax systems. Since the South African economy opened up to global markets, tax legislation has become more complex in order to protect the fiscus. At the same time the tax net is being widened and tax compliance requirements are becoming more stringent. These realities are driving the need for more tax professionals with knowledge of legal provisions both locally and in other jurisdictions.

Furthermore, the tax administration continues to pursue tax compliance and enforces more complex tax legislation. Tax laws, regulations and practices change constantly and this creates a need for ongoing skills development and training.

As from July 2013 all tax practitioners have to be registered with SARS and a prerequisite for registration is that they should be members of a professional body which is recognised by SARS as a “controlling body” (SARS, 2015). That means that tax practitioners who don’t meet the educational requirements of the professional bodies, need training in order to comply with the requirements and that the market-demand is shifting towards higher qualified, professional tax practitioners.

d) Changes in the regulation of the financial markets

Over the last decade the Financial Markets Industry has experienced far-reaching changes – especially in terms of regulation. In 2011 Government proposed a “twin peaks” model of financial regulation for South Africa. Twin peaks means that the prudential supervision of the financial sector is separated from the market conduct supervision (Financial Regulatory Reform Steering Committee, 2013). Since then various pieces of draft legislation have seen the light. These include the Financial Sector Regulation Bill and the Banks Amendment Bill. According to the proposed new legislation, the South African Reserve Bank (SARB) will take responsibility for the prudential oversight of the Financial Sector, while the FSB will be re-structured and will take responsibility for market conduct supervision. The full impact that these regulatory changes will have on the skills needs of the sector is not yet clear. What is clear though is that the regulators will need specialised skills in order to give effect to their new functions. At the same time the regulators are expected to impose new skills requirements on industry. This will include requirements regarding professionalism and continuous professional development.

e) Registration requirements for auditors

The re-defining of the respective roles and responsibilities of the Independent Board for Auditors (IRBA) and SAICA in respect of the training of Registered Auditors (RAs) will have a profound impact on the skills supply to the Fasset sector. As from 2014 the IRBA requires prospective public auditors to first demonstrate competence as professional accountants with an accredited professional accounting body before they are allowed into the training programme for auditors. After completion of this training programme they will undergo the IRBA’s final assessment that will allow them to register as auditors (IRBA, 2014). That means that South African Institute of Chartered Accountants (SAICA) assessments giving access to the designation Chartered Accountant (South Africa) (CA(SA)) and the IRBA’s assessments will no longer be combined and these two bodies will in future function completely independently. It also means that the learning pathway for registered auditors will

become substantially longer and more onerous – which in the long run may stifle the supply of registered auditors.

f) The regulation of the accountancy professions

In 2013 the Minister of Finance requested a review of accounting and auditing practices in South Africa by the World Bank. The report by the review team is generally referred to as the “ROSC Report” (World Bank, 2013). This report includes recommendations on an array of issues, but the most important are: the legislated regulation of the accountancy profession and the institution of a regulatory body for the professional bodies in this field and the incorporation of the requirements in the current Auditing Profession Act into the proposed accountancy profession legislation; the inclusion of public sector modules in the education and training curricula of professional accountancy organisations and tertiary institutions and the strengthening of all professional accountancy organisations in order to have the capacity to increase focus on the professional development of their members and improve on their partnerships with universities.

Currently the National Treasury and other stakeholders are working on the implementation of these recommendations. Although it is not yet clear how this will unfold in future, developments in this regard will impact on the Fasset sector and on the skills demand of and supply to the sector.

2.3.2 THE NATIONAL DEVELOPMENT PLAN (NDP)

The NDP forms the basis of all national policies and strategies. It also influences Fasset’s skills planning as reflected in this SSP update. Various requirements for the skills development system which are set out in the NDP are considered, the most important of which are the following: adaptation to changes in technology, industry, population dynamics and global trends, the promotion of lifelong learning and targeted support to students who are academically less prepared; responsiveness to the skills needs of all sectors of society – especially the need for financial professionals; the development of partnerships in skills provision.

It stands to reason that the availability of sufficient numbers and quality financial professionals are crucial to the success of most of the development initiatives proposed by the NDP. The infrastructure development initiatives are, for example dependent on financial management skills. Corruption can only be contained in the presence of strong financial management and auditing skills and with financial professionals who are bound to ethical behaviour. Similarly, the National Health Insurance System and the improvement of the health and social welfare sectors are critically dependent on financial skills. It is with all these development objectives in mind that Fasset is focussing on increasing the numbers of financial skills developed at all levels, improving the quality of education and training, and on increasing the throughput rates throughout the educational pipeline. Fasset also provides lifelong learning opportunities and targeted support to students in need.

2.3.3 THE WHITE PAPER FOR POST-SCHOOL EDUCATION AND TRAINING

The White Paper for Post-School Education and Training was approved by Cabinet on 20 November 2013. Fasset took cognisance of the general direction indicated by the White Paper and aligned its strategy accordingly. Specific areas that were considered are:

- The strengthening of the TVET College system. Traditionally the Fasset sector has not

employed large numbers of TVET college graduates. However, Fasset has over the last two to three years developed a strong focus on the colleges and is currently focusing on work placements for students who have completed the N6 and the absorption of graduates from these colleges in the Financial and Accounting Services Sector and in the rest of the South African labour market.

- The White Paper states that the universities should seek to expand their partnerships with employers in order to secure work experience opportunities for students – especially in fields where work experience is necessary for professional registration. Fasset, the professional bodies in the sector and employers have long-standing arrangements for the provision of work experience for prospective financial professionals. Fasset is continuously busy with the identification of new areas where professional learnerships are needed and with the development of relevant learning programmes in collaboration with the universities, professional bodies and employers. Work placements are also incentivised through the grant scheme.
- Linking education and the workplace. The White Paper emphasises the importance of learnerships and internships in non-artisan fields and the role that SETAs have to play in the promotion of these forms of learning. Fasset has a clear focus on the skills pipeline and on the development of people in the workplace.
- Measuring the impact of education and training interventions. The White Paper stresses the importance of researching the levels of efficacy and efficiency being achieved in education and training and to identify where any blockages in the system may be emerging. Fasset has commenced with the development of a monitoring and evaluation and impact assessment framework. Impact assessments are integrated in most of its skills intervention projects and it has already completed a comprehensive tracer study, which followed the learners who benefited from its bridging programmes. In addition, an annual review of SETA performance in funded areas is conducted. This work needs to continue in the planning period covered by this SSP.

2.3.4 B-BBEE LEGISLATION

Transformation in the sector is driven by the B-BBEE legislation, the Financial Services Sector Charter and by the Department of Trade and Industry's B-BBEE Codes of Good Practice. Fasset's role is not only to stimulate and support the education and training of African Black people for the sector. The SETA also strives to create an enabling environment for employers to access training programmes to train new African Black learners and employees.

2.3.5 STRATEGIC INTEGRATED PROJECTS (SIPS)

Seventeen SIPs have been identified that cover a range of economic and social infrastructure needs, across all nine provinces in South Africa, with emphasis on poorer provinces. The DHET identified the skills needed to support the SIPs. The list of skills requirements includes 713 financial managers. Fasset will cooperate fully with the SIP processes, as and when required, should adequate budget be made available. This will require Fasset, as a public entity, to sign a performance contract to agree to specific responsibilities.

2.3.6 THE INDUSTRIAL POLICY ACTION PLAN (IPAP)

Another Government policy that was considered in the preparation of this SSP update was IPAP. One of the growth areas that the IPAP identifies and aims to stimulate is business process services – also referred to as “business process outsourcing”. Although business

process services are not clearly demarcated and IPAP refers only to the role of the Services Seta in relation to business process services, it stands to reason that certain of the services offered by organisations in Fasset's sector (for example debt collection) also fall within this realm. By focusing on the supply of work-ready new entrants to the labour market Fasset will inevitably contribute to the objectives of IPAP.

2.3.7 NSDS III

In the absence of a new National Skills Development Strategy (NSDS) Fasset aligns its strategy to NSDS III. The NSDS III framework outlines strategic focus areas that form part of Fasset's interventions. In the development of its skills priorities Fasset took into account the skills formation process as it spans the lifetimes of individuals, along the educational and career pipeline. It also took into consideration the skills needs of the sector, the objectives set by the framework and NSDS III cross-cutting objectives (race, class, disability, youth, HIV/AIDS, gender and province). This alignment is discussed in more detail in Chapter 5.

2.3.8 OTHER POLICIES AND PLANS

Throughout the years Fasset has considered various other Government policies and plans and has ensured that its general direction and focus are aligned to these policies and plans. These include: Government's Medium Term Strategic Framework (MTSF) objectives, The Human Resource Development Strategy (HRDS-SA), the New Growth Plan (NGP) and the National Skills Accord and The Minister of Higher Education and Training's Delivery Agreement with the President.

2.4 CONCLUSIONS

The main focus of this chapter is the identification of the key skills issues that Fasset needs to address in its plan for the next five years. The chapter starts with an exploration of national policies and plans that need to be considered in Fasset's planning. It also explores regulatory and technological changes that impact on the sector. Some of the skills development issues are directly linked to the Government's policies and plans, for example the need to intervene in the TVET college system. However, the key skills issues are also the result of supply-side constraints and skills mismatches – all of which are discussed in more detail in the Chapter 3.

3 THE EXTENT OF SKILLS MISMATCHES

The key focus of this chapter is skills mismatches in the sectoral labour market. Mismatches are the result of a disjunction between the demand for and supply of skills and ultimately manifest in skills shortages and in people who don't have the competencies required for their specific jobs. The two concepts that are generally used in South Africa to describe these two situations are "scarce" and "critical" skills.

Fasset monitors the scarce skills in the sector by asking employers to identify in the annual mandatory grant applications the occupations in which they experience skills shortages. Questions regarding various indicators of skills shortages are also asked to employers, professional bodies and education and training providers in the five-yearly sector surveys. The information obtained in the most recent grant applications are presented in this chapter. The chapter starts, however, with an analysis of the demand for skills in the sector and trends in the supply of skills. The supply-side constraints that ultimately lead to scarce skills and critical skills needs are also highlighted.

3.1 EXTENT AND NATURE OF DEMAND

3.1.1 EMPLOYMENT TRENDS

a) Total employment

The changes in total employment in the Financial and Accounting Services Sector over the last decade have already been mentioned in Chapter 1 of this report. In Figure 3-1 below, the changes in output growth of the Finance, Real Estate and Business Services Sector and the total South African economy are illustrated along with total employment figures estimated for the Fasset sector over the period 2005 to 2015. In 2005 to 2007, when the economy was growing strongly, employment in the Fasset sector also increased quite rapidly. In the period 2008 to 2011 when economic growth slowed down, employment levelled off. The decline in employment seen in 2012 could possibly still be related to the 2009 recession. In times of economic growth the increased demand for financial services stems from the growth in the number of businesses and higher business volumes. Although the demand for financial services inevitably drops if the economy contracts, one could expect a time lag in this process because businesses that close down or go insolvent need financial services beyond their own existence – for example, in the handling of the closing down or insolvency processes (Employer Focus Group, 2010.)

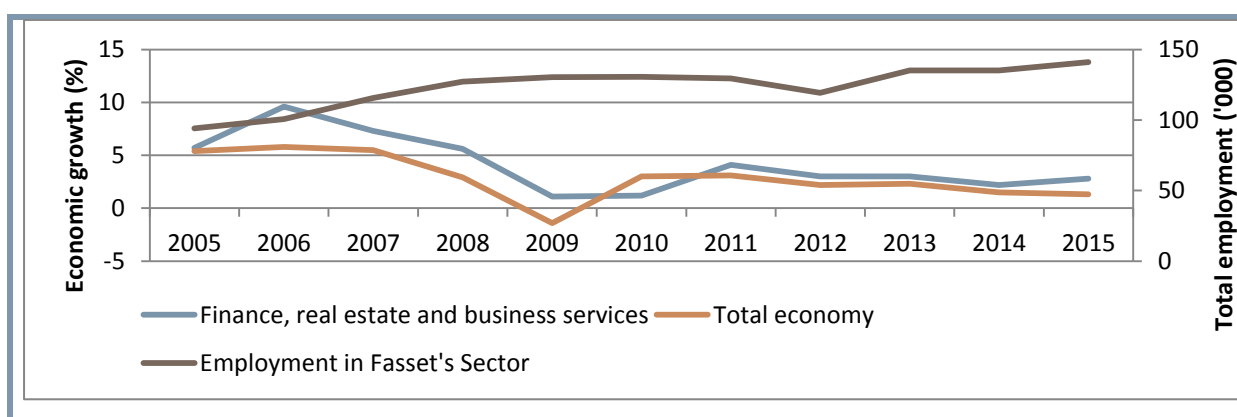


Figure 3-1 Economic growth and total employment: 2005-2015

Sources: Calculated from Fasset's data system 2015 and StatsSA, PO 441, Fourth Quarter, 2015.

b) Changes in the occupational structure

The composition of employment in the sector over the period 2012 to 2016 is shown in Figure 3-2. “Highly skilled” refers to managers, professionals and technicians and associate professionals. The term “skilled” refers to clerical support workers, service and sales workers and skilled agricultural, forestry, fishery, craft and related trades workers and the term “semi- and unskilled” workers refers to plant and machine operators and assemblers and elementary occupations. The graph illustrates that the sector consistently needs highly skilled workers (i.e. people with post-school qualifications) in more than half of the occupations in the sector. It also needs a large proportion of skilled workers – mostly in clerical and administrative positions. The demand for semi- and unskilled workers in the sector remains low.

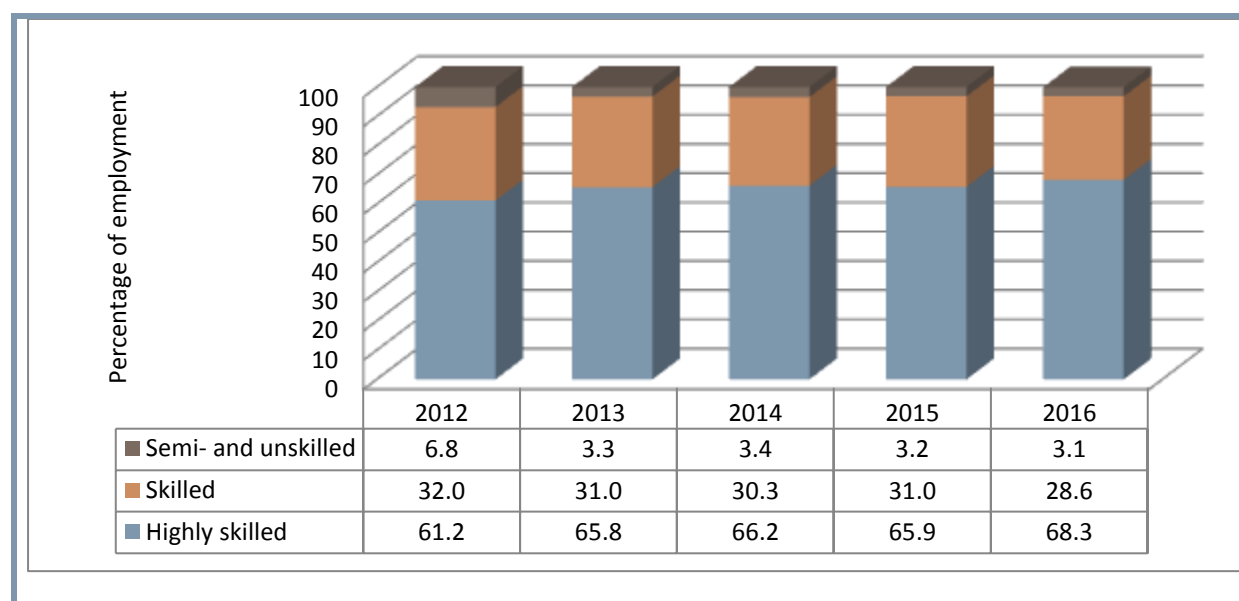


Figure 3-2 Changes in the occupational structure in the Fasset Sector 2012 – 2016

Source: calculated from Fasset’s data system

Some shifts in occupational demand are suspected although the statistical evidence will only become available in the next sector survey. It is, for example very likely that the demand for auditors has dropped as a result of the changes in the Companies Act (as discussed in Chapter 2), while the demand for tax practitioners and accountants have increased.

3.1.2 VACANCIES

Fasset has never collected complete information on vacancies in the sector and there is no other source of information on all vacancies. Fasset has, until 2013 collected information on “hard-to-fill” vacancies as part of the WSP submissions. However, this was stopped to bring the WSP guidelines in line with the grant regulations that require employers to stipulate the “number of people needed” in scarce skills occupations. It is not clear to what extent these numbers correlate with vacancies in the specific occupations.

3.1.3 WAGE TRENDS

There is currently no information on wage trends available for the Fasset sector. In the last sector survey (Fasset, 2013) employers reported that they were paying a premium for skilled Black professionals but the actual extent of this premium has not yet been investigated.

3.1.4 CONDITIONS OF EMPLOYMENT

As indicated in the previous two chapters, the Financial and Accounting Services Sector is a highly professionalised sector. Only a very small portion of the workers in the sector belong to labour unions. The conditions of employment are generally negotiated between employers and employees. At this stage there is no indication that the conditions of employment have any adverse effect on the demand or the supply-side of the sectoral labour market.

The vast majority of employment positions are in the urban areas which are generally more popular employment destinations.

3.1.5 THE EFFECT OF MIGRATION ON THE SECTOR

Over the period 1994 to 2003 sharp increases had occurred in the loss of skilled professionals in the Financial and Accounting Services Sector as a result of emigration. However in 2003 StatsSA stopped collecting emigration figures.

SAICA is the only professional body that publishes information on the country of residence of their members. At the end of May 2016, a total of 7 829 CAs(SA) who were registered with SAICA were working abroad (approximately 19% of all CAs(SA)) (SAICA, 2016). This does not necessarily mean that these CAs have emigrated permanently. Some of the large international firms in the sector deliberately rotate their employees between countries in order to give them international exposure.

Although South African professionals are generally sought after in the rest of the world, the global recession caused large-scale job losses in countries that traditionally sourced professionals from South Africa and it is unlikely that as many South Africans as before are emigrating. The profile data presented in Chapter 1 of this SSP indicates that organisations in the sector employ foreign nationals especially in professional positions. This does, to some extent, help to relieve skills shortages.

3.2 THE EXTENT AND NATURE OF SUPPLY

3.2.1 ENTRY ROUTES INTO THE SECTOR

The formation of new skills for the sector takes many forms, and several routes are available to those who want to work permanently in the sector. The six most typical entry routes (or skills development pipelines) are illustrated in **Figure 3-3**.

1) Direct entry with NQF Level 4 qualifications into the labour market

A relatively small proportion of the workers in the sector enter the labour market after school without any further education or training. The educational profile of the sector shows that very few workers have qualifications lower than Grade 12 or matric. These workers are employed mainly in elementary occupations.

Workers with Grade 12 are employed largely in clerical or administrative positions. Some public and private TVET colleges, as well as some of the professional bodies, offer qualifications relevant to the sector and that prepare learners specifically for positions in the Financial and Accounting Services Sector.

2) Entry after school via learnerships

Various learnerships in the sector have Grade 12 or matric as an entry-level requirement.

These learnerships prepare workers for clerical and administrative positions.

3) Entry via the higher education system with professional qualifications

Several of the professional associations offer professional body qualifications, some of which are internationally recognised. Preparatory education for the qualifying assessments is offered by some of the public- as well as private higher education institutions, while the qualifying assessments are generally set by the professional bodies.

4) Entry via the higher education system with national qualifications

Many workers enter the sector after completion of a degree or diploma at a public- or private higher education institution. The qualifications gained along this route are the standard higher education qualifications (typically diplomas and degrees).

5) Entry via the higher education system with national qualifications, followed by a learnership and a professional body qualification

Some of the higher-level professional body qualifications can be obtained only after acquiring a national qualification or qualifications (e.g. a B.Com (Honours) degree), after the completion of a learnership, and after passing a qualifying assessment set by the professional body. This route is the one followed by specialised professionals such as CAs(SA) and professional accountants.

6) Entry from the TVET or the Higher Education and Training (HET) system followed by an internship

In certain components of Fasset's sector employers have developed their own internship programmes on which they train new entrants to the labour market. Some of these programmes are well-structured and contain highly sophisticated and expensive training modes – for example international exposure and experience. These programmes differ from learnerships in that they don't lead to a formal qualification that is registered on the NQF and that they are very focused on the specific needs of the employers. However, many of them are highly regarded in the sector and candidates who qualify on these internships are sought after in and outside the sector.

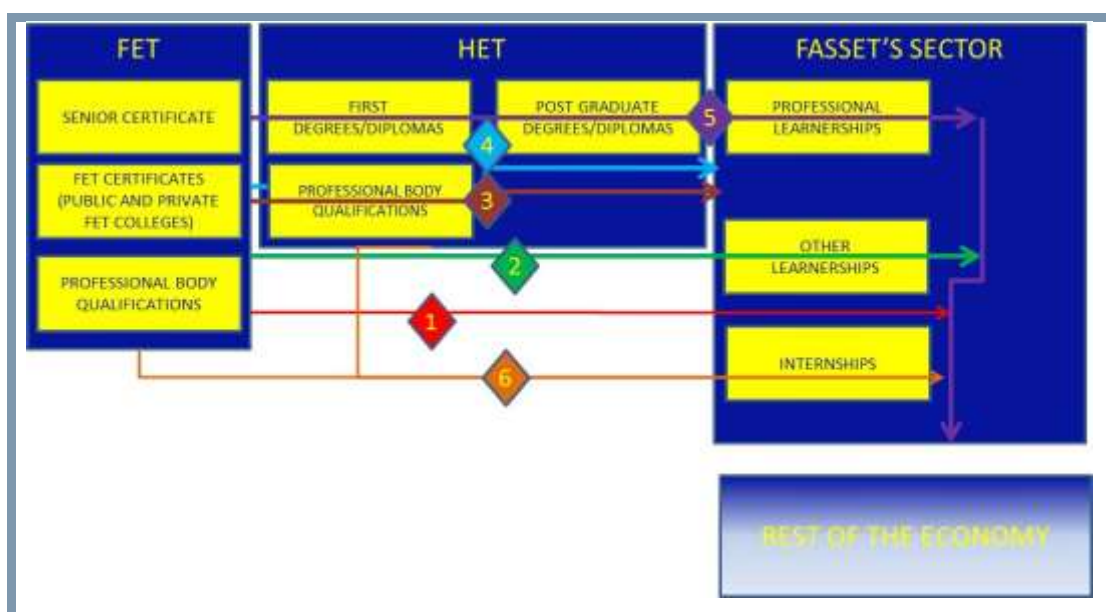


Figure 3-3 Typical entry routes (with formal qualifications) to the Fasset Sector

3.2.2 THE STATE OF EDUCATION AND TRAINING AT FET LEVEL

The main groups of providers of education and training at entry level are the formal school system, public and private TVET institutions and professional bodies such as the ICB, the AAT and the IBM in collaboration with employers.

a) *Senior certificate*

The first factor playing a role in the supply of accounting and other professional skills is the Senior Certificate examination results, especially the pass rates in mathematics and accounting. Achieving grade 12 mathematics with 40% or more, is a prerequisite for tertiary studies in most of professional study fields in the labour market, while bookkeepers and accounting clerks could be drawn from Grade 12 learners with mathematics and accounting as subjects.

Table 3-1 summarises the grade 12 enrolments and passes from 2012 to 2014. The number of learners who wrote mathematics increased dramatically, by approximately 100 000 in 2013 compared to 2012. However, in 2014 this number dropped again by the same number. The number of maths passes with 40% or more increased by approximately 17 000 in 2013 and dropped again by almost 19 000 in 2014. Overall, only around 15% of matriculants pass with maths at 40% or higher.

Accounting is not necessarily a prerequisite for tertiary studies in accounting, but accounting at school level could spark learners' interest in the field of accounting. As with maths there was an increase in learners who wrote accounting in 2013 and the number dropped below the 2012 level in 2014. The same applies to those who passed with 40% or more.

The basic education system is not producing sufficient numbers of young South African Blacks who meet the admission criteria for the fields of study that are relevant to the sector. Also, the quality of the skills levels of many matriculants are viewed as being substandard by stakeholders in the Fasset Sector Survey (Fasset, 2013). The respondents expressed in different ways the view that the majority of learners leave high school with poor literacy and numeracy skills, many lack life skills and are unable to engage in a conversation or formulate an opinion. School leavers also lack IT skills and many cannot speak or write English.

Table 3-1 Grade 12 Statistics: 2012 - 2014

Number of learners who-	2012		2013		2014	
	N	% of total who wrote Grade 12	N	% of total who wrote Grade 12	N	% of total who wrote Grade 12
Wrote Grade 12	511 152	100.0	562 115	100.0	532 860	100.0
Achieved Grade 12	377 847	73.9	439 764	78.2	403 874	75.8
Wrote Mathematics	225 874	44.2	324 097	57.7	225 458	42.3
Achieved Mathematics (40% and more)	80 712	15.8	97 790	17.4	79 050	14.8
Wrote Accounting	134 978	26.4	145 427	25.9	125 987	23.6
Achieved Accounting (40% and more)	57 621	11.3	60 311	10.7	55 837	10.5

Source: Department of Basic Education, Education Statistics in South Africa, 2012, 2013 and 2014

Concerns were also raised about accounting teaching in high school, which is regarded as being below standard. The result is that school leavers are often appointed in entry-level accounting positions (especially in the public sector), without having a grasp of elementary

accounting principles and transactions. They lack understanding of basic concepts such as the cash flow cycle and double entry bookkeeping.

b) TVET colleges education and training in the finance and accounting field

There are 50 public TVET colleges registered with the DHET. These colleges operate on 263 campuses spread across the rural and urban areas of South Africa. Most of the TVET colleges offer the National Certificate (Vocational) (NCV) in Finance, Economics and Accounting. This NCV offers learners a vocational alternative to an academic Grade 10 to 12, by providing specialised training on NQF levels 2 to 4. The NCV is a three-year qualification made up of three certificates obtained on NQF Levels 2, 3 and 4. All NCV programmes consist of a fundamental and a vocational component. The fundamental component provides for language and mathematics skills. The vocational subjects for the NCV in Finance, Economics and Accounting are: Applied Accounting, Economic Environment, Financial Management and New Venture Creation. According to the TVET colleges this qualification enables graduates to perform the following activities: bookkeeping; keeping records of wages, salaries, petty cash and Value Added Tax (VAT); conducting reconciliations; preparing financial statements; managing budgets; and analysing the finances of a business.

Most of the TVET colleges also offer National Programmes (NATED) at NQF levels 4 to 6 in either Financial Management or Business Management or both. Graduates obtain certificates or national diplomas. The focus of this programme is on accounting and the management of the financial affairs of an organisation. Successful students usually have the knowledge and skills to perform bookkeeping and basic accounting functions, analyse financial and statistical information and check accounts

The applicable subjects in the Business Management Programme are Introductory Accounting and Financial Accounting. These subjects are usually only offered at NQF Level 4.

Table 3-2 provides information on the throughput rates in the NATED and the NCV courses in 2013. The throughput rates on all the courses are extremely low. At N6 level the pass rate in Business Management was only 18% and in Financial Management it was only 27%. At NCV Level 4 the pass rate was 22%.

Table 3-2 Results of NATED and NCV learners at public TVET colleges: 2013

Course	N4				N5				N6*			
	Enrolled	Wrote exam	Passed	Pass rate	Enrolled	Wrote exam	Passed	Pass rate	Enrolled	Wrote exam	Passed	Pass rate
NATED												
	N	N	N	%	N	N	N	%	N	N	N	%
Business Management	14 778	13 802	4 492	33	8 455	7 979	3 076	39	5 753	5 449	957	18
Financial Management	9 394	8 953	2 595	29	5 823	5 560	2 763	50	4 714	4 501	1 194	27
NCV												
	L2				L3				L4			
Finance, Economics & Accounting	24 172	22 755	7 087	31	14 278	13 539	5 839	43	10 467	9 950	2 151	22

*Candidates who have successfully completed the N6 examinations have to complete a further 18 months' work experience before they are awarded the National Diploma in Financial Management. The numbers shown in this table refer only to those who have completed the N6 examinations.

Source: Department of Higher Education and Training, FETMIS, 2015.

From the figures presented above it is clear that the TVET colleges are not yet producing significant numbers of learners, especially learners who have completed the N6 in Financial Management. Staff from the TVET colleges who participated in the Sector Survey indicated that they have to deal with various challenges such as the content of the learning programmes (e.g. level of difficulty, lack of time to cover the syllabus), attracting suitably qualified staff, the quality of students entering the system, low throughput rates on NCV courses, finding practical placement opportunities for students and the lack of work prospects for students due to the market's negative perceptions of TVET colleges (Fasset, 2013).

c) *Professional body qualifications at FET level*

Fasset has registered several learnerships at NQF levels 3 and 4. With the exception of one, these learnerships are offered by the professional bodies associated with Fasset. However, most of the learners are based in organisations that don't fall within Fasset's sector. The learnerships are listed in Table 3-3.

Table 3-3 Learnerships at FET level

Learnership	NQF level	Professional body
Certificate: Accounting Technician	3	AAT
Certificate: Local Government Accounting	3	AAT
Advanced Certificate: Local Government Accounting	4	AAT
FET Certificate: Accounting Technician	4	AAT
National Certificate: Bookkeeping	3	ICB
National Certificate Small Business Financial Management	4	ICB
Technical Vocational Education and Training Certificate: Bookkeeping	4	ICB
Certificate: Public Sector Accounting	4	ICB
FET Certificate: Debt Recovery	4	Fasset

Source: Fasset 2015.

Several of the professional associations offer registered qualifications, some of which are also internationally recognised. Preparatory education for the qualifying assessments is offered by some of the public- as well as private TVET colleges while the qualifying assessments are generally set by the professional bodies. The qualifications awarded by the ICB over the period 2012 to 2015 can be seen in Table 3-4.

Table 3-4 Professional body qualifications awarded at FET Level: 2012-2015

Qualification	2012 N	2013 N	2014 N	2015 N
National Certificate Small Business Financial Management	29	56	45	34
Certificate Registered Accounting Clerk				1
Certificate Registered Bookkeeper				4
FETC Bookkeeping	1 060	1 149	1 247	1 221
National Diploma Technical Financial Accounting	639	881	926	976
National Diploma Financial Accounting	56	120	218	221
National Certificate Bookkeeping	1 621	1 641	1 820	1 762
Certificate Office Administration	109	217	271	292
Higher Certificate Office Administration	18	68	111	146
National Diploma Office Administration		29	52	112
National Certificate Public Sector Accounting			6	27
Diploma Public Sector Accounting			2	12
Junior Bookkeeper				47

Qualification	2012 N	2013 N	2014 N	2015 N
Junior Office Administrator				2
Senior Bookkeeper				15
Certificate Registered: Practical Accounting				2
Total	3 532	4 161	4 698	4 874

Source: Information provided by ICB, May 2016.

3.2.3 THE STATE OF EDUCATION AND TRAINING AT HET LEVEL

The analysis of the supply of skills at HET level is based on information obtained from the Department of Higher Education and Training's Higher Education Management Information System (HEMIS).

In most instances entry into the sector takes place at NQF levels 6 or 7. Generally speaking, students who want to qualify as CAs(SA) stay at university after completion of a B.Com degree in accounting to complete an honours degree or the Certificate in the Theory of Accounting (CTA). Many of the students at universities of technology complete the B.Tech degree before leaving the educational system and entering the labour market. A number of students engage in further studies to obtain Masters' and Doctoral qualifications (NQF levels 9 and 10).

The two fields of study that are most relevant to the Fasset sector are "Accounting" and "Other Business and Commerce".

a) *NQF levels 6 and 7*

i. *Accounting*

Table 3-5 shows the total number of qualifications in accounting on NQF levels 6 and 7, awarded by public higher education institutions, increased on average by 1.6% from 2010 to 2014. The number of national diplomas awarded showed the highest increase over the four-year period (2.3%). The number of African Black students who qualified grew by 4.4% per year from 6 279 graduates in 2012 to 7 450 graduates in 2014, while the number of white graduates decreased from 2 380 to 1 912 over the same period. The number of women who graduated increased on average by 2.1% and the number of men by 0.8%.

Table 3-5 NQF Levels 6 and 7 (Accounting): Qualifications awarded by public higher institutions

Qualification	2010 N	2011 N	2012 N	2013 N	2014 N	AAG* %
National Diplomas	2 779	3 102	3 268	3 271	3 046	2.3
1st Degrees(3 yrs)	5 983	6 198	6 198	6 366	6 329	1.4
1st Degrees(4 yrs)	1 332	1 049	979	1 078	1 364	0.6
Total	10 094	10 349	10 445	10 715	10 739	1.6

*Average annual growth.

Source: Department of Higher Education and Training, HEMIS, 2016.

Only students, who leave the university after completing NQF Levels 6 or 7 qualifications, contribute to the supply of skills on these levels to the labour market. Therefore, the number of people who remain at university to continue with honours degrees should be subtracted from these figures. Table 3-6 shows a rough calculation of the number of graduates who entered the labour market at NQF Levels 6 and 7 from 2010 to 2014. These numbers were calculated by subtracting from the number of three-year first degrees awarded, the

number of honours degrees awarded in the same year. The entrants to the labour market on NQF levels 6 and 7, decreased by 0.8% per year from 7 701 in 2010 to 7 467 in 2014.

Table 3-6 NQF Levels 6 and 7 (Accounting): Number of entrants to the labour market

Qualification	2010 N	2011 N	2012 N	2013 N	2014 N	AAG %
National Diplomas	2 779	3 102	3 268	3 271	3 046	2.3
1st Degrees(3 yrs)	3 590	3 702	3 693	3 571	3 057	-3.9
1st Degrees(4 yrs)	1 332	1 049	979	1 078	1 364	0.6
Total	7 701	7 853	7 940	7 920	7 467	-0.8

Source: Calculated from Department of Higher Education and Training, HEMIS 2016.

ii. Other business and commerce qualifications

The combined field “Other Business and Commerce” includes qualifications in the following CESM (Classification of Educational Subject Matter) categories: Business Administration, Management and Operations; Business/Corporate Communications; Entrepreneurial and Small Business Operations; Finance and Financial Management Services; Human Resource Management Services; International Business; Management Sciences and Quantitative Methods; Marketing; Real Estate and Insurance.

The total number of qualifications awarded by public higher education institutions in Other Business and Commerce on NQF levels 6 and 7 increased on average by 5.8% from 2012 to 2014 (Table 3-7). National diplomas awarded showed the highest increase over the four-year period (6.1%). The number of African Black students who qualified grew on average by 8.9% per year from 9 866 graduates in 2012 to 13 893 graduates in 2014, while the number of white graduates decreased by 2.6% over the same period. Women graduates increased on average by 5.9% per year from 2012 to 2014 and men by 5.5%

Table 3-7 NQF Levels 6 and 7 (Other Business and Commerce): Qualifications awarded by public higher institutions

Qualification	2010 N	2011 N	2012 N	2013 N	2014 N	AAG %
National Diplomas	6 371	7 785	7 969	8 126	8 083	6.1
1st degrees(3 yrs)	5 880	6 150	6 353	7 493	7 407	5.9
1st degrees(4 yrs)	3 595	3 905	4 252	4 445	4 332	4.8
Total	15 847	17 840	18 574	20 064	19 822	5.8

Source: Department of Higher Education and Training, HEMIS 2016.

b) NQF level 8

i. Accounting

In the financial sector, two types of qualifications are relevant at NQF Level 8: postgraduate diplomas and honours degrees (universities).

The output in accounting at NQF Level 8 (Table 3-8) shows that the total number of graduates grew at an annual rate of 4.6% from 3 440 in 2012 to 4 125 in 2014. This is largely due to an increase in the number of honours degrees awarded. The number of African Black students who qualified grew on average by 11.3% per year but the number of white graduates decreased by 1.6% over the same period. The number of women who graduated increased on average by 6.0% per year and the number of men by 3.2%. Female graduates’ share in these qualifications increased from 51% in 2012 to 54% in 2014.

Table 3-8 NQF Level 8 (Accounting): Qualifications awarded by public higher institutions

Qualification	2010 N	2011 N	2012 N	2013 N	2014 N	AAG %
Postgraduate diplomas	1 047	941	1 068	1 014	853	-5.0
Honours degrees	2 393	2 496	2 505	2 795	3 272	8.1
Total	3 440	3 437	3 573	3 809	4 125	4.6

Source: Department of Higher Education and Training, HEMIS 2016.

ii. Other business and commerce qualifications

Table 3-9 shows the number of qualifications awarded at NQF Level 8 in the field Other Business and Commerce. In total, the output increased from 3 473 qualifications awarded in 2010 to 5 154 qualifications in 2014 – growing at 10.4% per year. The number of honours degrees awarded annually increase by 10.4% over the four-year period. Most of these qualifications were awarded in the study fields of Management and Personnel Management and Administration. Growth in the number of graduates from all population groups was recorded: African Black graduates showed the highest growth (22.2% per year), while white graduates increased by 0.3% per year. The number of women who graduated increased by 11.4% per year and men by 9.2%.

Table 3-9 NQF Level 8 (Other Business and Commerce): Qualifications awarded by public higher institutions

Qualification	2010 N	2011 N	2012 N	2013 N	2014 N	AAG %
Postgraduate diplomas	1 463	1 502	1 923	1 593	1 995	8.1
Honours degrees	2 010	2 106	1 981	3 068	3 159	12.0
Total	3 473	3 608	3 904	4 661	5 154	10.4

Source: Department of Higher Education and Training, HEMIS 2016.

c) NQF levels 9 and 10

The number of master's degrees awarded from 2010 to 2014 in accounting increased by 13.9%, while in other business and commerce fields only by 4.8% (Table 3-10).

Doctoral degrees in the other business and commerce fields increased from 63 in 2010 to 119 in 2014 at an average rate of 17.2% per year and in accounting by 6.5% per year.

Table 3-10 NQF Levels 9 and 10 (Accounting and Other Business and Commerce) awarded by public higher education institutions

Qualification	2010 N	2011 N	2012 N	2013 N	2014 N	AAG %
Master's degree: Accounting	123	147	189	199	207	13.9
Master's degree: Other business & commerce	1 648	1 925	1 982	1 919	1 990	4.8
Doctorate: Accounting	7	5	6	6	9	6.5
Doctorate: Other business & commerce	63	82	102	102	119	17.2

Source: Department of Higher Education and Training, HEMIS 2016.

d) Evaluation

The figures presented in the preceding sections clearly show that in the field of accounting the output of the higher education institutions has not grown substantially over the last four years. In fact, accounting qualifications at NQF levels 6 and 7 showed an average annual decrease of 0.8%, while NQF level 8 qualifications increased by only 4.6% from 2010 to 2014. This is not sufficient to meet the demand for accounting skills in the country. The fig-

ures reflect, however, the large degree of transformation that has been taking place in this field. While the number of white graduates has decreased, the number of African Black graduates has increased on average by 8.9% per year at NQF levels 6 and 7 and 11.3% per year at NQF level 8.

A major factor that prevents growth in the accounting skills pipeline is the relatively small number of maths passes at National Senior Certificate (NSC) level. Besides maths, there are also other factors: socio-economic constraints prevent larger numbers of aspiring accountants from studying full-time for four to six years via the traditional academic routes, while disadvantaged students who attempt distance learning programmes and international examinations, rarely succeed. Graduate output from universities is also hampered by institutional resource constraints: a shortage of academics in the accounting and finance fields in South Africa and a lack of training capacity at some historically black universities.

Apart from the quantitative deficiencies in the skills pipeline, certain qualitative deficiencies also exist. For example, some professional bodies are of the opinion that accounting graduates from universities of technology often present inferior accounting skills (Fasset, 2013). Generally, universities and higher education institutions train financial professionals for the private sector and don't focus on the needs of the public sector.

Stakeholders in the sector are also of the opinion that tertiary institutions tend to focus on the knowledge component and technical matters, and not sufficiently on the development of practical skills. According to them it is not unusual that graduates with high-level accounting qualifications are unable to do basic accounting operations and do not know how to process financial transactions in an actual work environment. Many of the academic courses contain little or no soft skills development or workplace-readiness training. As a result there is a disparity between the academic training offered by universities and the skills needed in the workplace and a constant need for workplace-readiness and bridging skills training (Fasset, 2013).

3.2.4 THE STATE OF EDUCATION AND TRAINING IN THE WORKPLACE

a) Learnerships

Employers play a crucial role in the formation of entry-level skills in the sector. Most of the professional body qualifications are attained through learnerships, and most of those that are not currently linked to learnerships require a certain amount of workplace experience. Employers' roles are to provide the workplace exposure and mentorship needed by learners and interns.

By June 2015 a total of 32 learnerships from NQF level 3 to NQF level 7 had been registered by Fasset with the DHET. Table 3-11 summarises the number of people who had completed learnerships in Fasset's sector from 2010 to June 2016. The total number of learnerships completed since 2000 is almost 45 000. The majority (90%) of these learnerships led to the qualification Chartered Accountant: Auditing.

A critical element in the successful implementation of learnerships is employers' readiness to take on learners. This, in turn, is a function of various factors, including: employers' knowledge of learnerships in general and of the availability of specific learnerships; their knowledge of and perspectives on the possible benefits associated with learnerships; their perceptions of the administrative processes involved in learnerships; and their perceptions of the inputs that they, as workplace training providers, would have to contribute. In cer-

tain components of the sector (notably in the accounting and auditing firms) learnerships have become institutionalised and employers don't only participate actively in the development of learners registered with them, but they also rely on the services of those learners. In these parts of the sector a shortage of learners constitutes a serious skills shortage. This is, however, not the case in all parts of the sector. In service areas where learnerships are new – for example, in the financial markets subsector – much work is still required to engage employers in learnerships.

Table 3-11 Learnerships completed 2000-June 2016*

Learnership	2000-2010	2011	2012	2013	2014	2015	2016	Un-known	Total
Advanced Certificate: Forensic Practitioner					5				5
Certificate for Registered Accounting Clerk	13								13
Certificate for Registered Bookkeeper	23								23
Certificate: Local Government Accounting	248								248
Certificate: Office Administration					14	10	6		30
Certificate: Public Sector Accounting	210	9							219
Chartered Accountant: Auditing	22 773	3 444	2 514	5 044	3 424	1 151	1 579		39 929
Chartered Accountant: Financial Management Specialism	462								462
Diploma: Accounting Technician	2								2
Diploma: Public Sector Accounting	19								19
FET Certificate: Administration Management					39				39
FET Certificate: Debt Recovery	70	46	150	9	202	214			691
FET Certificate: Wealth Management						4	4		8
FETC: Business Administration Services NQF4	6			2	9	6			23
Further Education and Training Certificate: Banking						9	9		18
Further Education and Training Certificate: Generic Management					36		1		37
General Education and Training Certificate: Hygiene and Cleaning					18	2	1		21
General Internal Auditor				3	20				23
GUI-Based Applications For End-User Computing					8	13			21
Information Technology Technical Support					2	2		1	5
Internal Audit Technician		1			12	26			39
IT: Systems Support					2	2			4
MCSE: National Certificate: IT Database Administration						2			2
National Certificate in Contact	3	2			78	1		214	298

Learnership	2000-2010	2011	2012	2013	2014	2015	2016	Un-known	Total
Centre Support									
National Certificate in Generic Business Administration			1		1		1		3
National Certificate: Advanced Certificate IT Database Development						1			1
National Certificate: Banking							14		14
National Certificate: Business Accounting	25	11	10	5	3	37	3		94
National Certificate: Business Administration Services		6		104	139		24		273
National Certificate: Core Banking and Financial Services		7	5		48		1		61
National Certificate: Financial Markets and Instruments			5	7	2	9	12		35
National Certificate: Junior Bookkeeper	3	2	1	1	2	28			37
National Certificate: Management					2				2
National Certificate: Professional Cookery							17		17
National Certificate: Small Business Financial Management	14	3	3	6		13			39
National Diploma: HR Management & Practices						8			8
National Diploma: Management Accounting	8	2	6			1	2		19
National Diploma: Technical Financial Accounting	7	1	1	2					11
Post Graduate Diploma: Professional Accountant in Practice	6		3	171	158	16	5	1 210	1 569
Post Graduate Professional Qualification: Professional Accountant in Business	20	22	38	14	23		1		118
Professional Qualification: Chartered Management Accountant	4			1	1	1			7
Senior Bookkeeper		1			1				2
Systems Support Engineer					3				3
Grand Total	23 916	3 557	2 737	5 369	4 252	1 556	1 680	1 425	44 492

*Figures include only learners registered in Fasset's sector. It should, however, be noted that some of the learnerships registered with Fasset are specifically designed for the development of skills in Government and in commerce and industry. These learners will be registered mainly in other sectors.

Source: Fasset data system, June 2016.

b) Work-Integrated Learning

The concept "work integrated learning" (WIL) refers to the workplace experience components of certain qualifications, for example the National Diplomas conferred by the TVET colleges, the qualifications offered by the universities of technology and the new Quality Council for Trades and Occupations (QCTO) qualifications. It may also refer to the work experience required for professional registration, for example the candidacy programmes in

the engineering field. In these cases the work experience is structured according to specific requirements. In cases where the WIL leads to formal PIVOTAL qualifications, the training qualifies for grants from the SETAs and for points on the B-BBEE scorecards.

In the Fasset sector there are learning programmes offered by employers that are similar to the formal WIL programmes, but they are not linked to specific qualifications. They are generally known as graduate development programmes. These programmes do not qualify for financial support through the levy-grant system and they don't count in terms of the B-BBEE codes. For employers it is important to substitute these programmes for learnerships. The incentives associated with learnerships will motivate employers to take on more unemployed learners and to train beyond their own needs. This, in turn, could support the transformation of the sector.

c) *Short courses*

The professionals employed in the Financial and Accounting Services Sector are obliged to undergo CPD in order to retain their professional body membership. CPD therefore constitutes an important part of skills formation in the sector. Most of the professional bodies are actively involved in the provision of CPD and/or in the accreditation of providers who offer CPD.

Apart from the compulsory CPD, organisations in the sector also provide in-service training to their employees. The Annual Training Reports (ATRs) submitted to Fasset each year indicates that approximately half of the employees receive some kind of training. This training addresses various aspects of the broad skills areas relevant to the sector, such as specialist financial skills, client service skills, management and leadership skills, information technology skills, and administration and support skills.

It is important to note that some of the large accounting and auditing firms in the sector have established training academies through which they provide structured training to their own employees and the learners placed on learnerships in their organisations. Some of them also make the training available to small firms and their clients. Similarly, SARS, the largest employer in the sector has its own training academy.

3.3 SCARCE SKILLS AND SKILLS GAPS

A direct comparison between demand and supply is not possible because financial skills are used in all sectors of the economy and Fasset's sector shares in the supply. For this reason Fasset relies on other mechanisms to establish whether there are mismatches between demand and supply in its own sector. The most important of these mechanisms is the monitoring of scarce skills. The term "scarce skill" refers to a shortage of people to fill positions in a specific occupation. Scarce skills are, therefore, linked to or expressed in terms of occupations classified on the OFO.

In the assessment of scarce skills it is important to consider different labour market signals. The most obvious signals that are indicative of shortages in a particular occupation are:

- Difficulties experienced by employers to retain employees in the occupation owing to external demand and competition among employers to attract scarce skills;
- Difficulties experienced by employers to recruit people into positions, which results in vacancies that remain unfilled over a prolonged period of time;
- Difficulties experienced by employers with succession planning;

- Upward pressure on remuneration; and
- No spare capacity in the form of unemployed people who can fill positions in the particular occupations.

These signals are, as far as possible, monitored during Fasset's sector surveys and the annual Workplace Skills Plan (WSP) submissions by employers. In this SSP update the scarce skills information is based on the WSP submissions received by Fasset in April 2016.

In the analysis of skills shortages, it is important not to apply a simplistic and mechanistic approach. Occupations cannot be viewed in isolation as many of the occupations on the OFO draw skills from the same pool or from the same supply pipeline. In many instances the skills sets required in different occupations are similar and transportable. For this reason, occupations that were identified as areas in which shortages are experienced have been grouped according to these considerations. The ten most important skills groups are listed in Table 3-12.

The table indicates which occupations in a specific group were identified by employers as occupations in which skills shortages are experienced. The table also indicates the number of people that employers said they needed, and the number of organisations that indicated that they experience a scarcity of skills in the particular occupation. The occupational groups are ranked according to the number of people needed in the total group.

The top 10 scarce skills occupations are listed in Table 3-13.

Table 3-12 Scarce skills in Fasset's sector: 2016

Rank	Fasset Group Name	OFO Code	Occupation Name	Number Needed	Total Need	Organisations that Identified need
1	Accountants and Auditors	241101	Accountant (General)	2 530	3 425	195
		241104	External Auditor	366		25
		121101	Finance Manager	265		12
		241103	Tax Professional	147		18
		241106	Accountant in Practice	36		4
		331302	Accounting Technician	24		4
		241102	Management Accountant	19		5
		241107	Financial Accountant	17		4
		331303	Tax Technician	13		3
		121102	Payroll Manager	9		3
2	ICT Professionals	251202	Programmer Analyst	290	960	4
		251101	ICT Systems Analyst	138		7
		252101	Database Designer and Administrator	133		6
		251203	Developer Programmer	64		6
		133102	ICT Project Manager	60		2
		251201	Software Developer	59		5
		121905	Programme or Project Manager	55		8
		252201	Systems Administrator	38		4
		133101	Chief Information Officer	30		6
		243403	ICT Sales Representative	24		1
		252901	ICT Security Specialist	18		3

Rank	Fasset Group Name	OFO Code	Occupation Name	Number Needed	Total Need	Organisations that Identified need
		216603	Multimedia Designer	13		1
		251401	Applications Programmer	12		3
		252301	Computer Network and Systems Engineer	8		2
		235601	ICT Trainer	6		1
		133105	Information Technology Manager	6		1
		351301	Computer Network Technician	5		3
3	Management consultants	242102	Organisation and Methods Analyst	281	515	2
		242101	Management Consultant	172		19
		242202	Policy Analyst	62		7
4	Financial Markets Professionals	241301	Financial Investment Advisor	177	510	21
		241202	Investment Manager	112		14
		241201	Investment Analyst	88		17
		241203	Investment Advisor	33		4
		331101	Securities Dealer	33		9
		241204	Financial Markets Practitioner	32		6
		242207	Compliance Officer	13		7
		134603	Financial Markets Business Manager	11		1
		332401	Commodities Trader	10		2
5	Bookkeepers, accounting technicians and clerks	431101	Accounts Clerk	123	209	14
		331301	Bookkeeper	44		14
		331201	Credit or Loans Officer	21		7
		431301	Payroll Clerk	21		2
6	Internal auditors and risk managers	121104	Internal Audit Manager	84	181	5
		242211	Internal Auditor	78		6
		242208	Organisational Risk Manager	19		6
7	Actuaries and statisticians	212101	Actuary	111	119	9
		212103	Statistician	8		3
8	Debt Collectors	421401	Debt Collector	102	102	7
9	Marketing Professionals	243103	Marketing Practitioner	55	79	4
		122105	Customer Service Manager	14		5
		122101	Sales and Marketing Manager	6		3
		122103	Director of Marketing	5		2
10	Economists	263101	Economist	61	61	5

Source: Fasset data system 2016

Table 3-13 Top 10 scarce skills occupations in the Fasset Sector: 2016

OFO Code	OFO Description	Need
241101	Accountant (General)*	2 530
241104	External Auditor	366
251202	Programmer Analyst	290
242102	Organisation and Methods Analyst	281
121101	Finance Manager	265
241301	Financial Investment Advisor	177
242101	Management Consultant	172
241103	Tax Professional	147
251101	ICT Systems Analyst	138
252101	Database Designer and Administrator	133

*Includes accounting trainees

Source: Fasset data system 2016

3.4 CRITICAL SKILLS

The “critical skills” or skills areas in which the current workforce needs training is reflected in the WSPs that employers submit annually. Generally speaking, employees in the Fasset sector need additional training in:

- Specialist Financial Skills
- Information Technology Skills
- Client Service Skills
- Management & Leadership Skills
- Support & Administrative Skills
- Legal Knowledge and Skills
- Productivity & Efficiency
- Insurance-related Knowledge and Skills
- Soft skills
- Sales and Marketing Skills

3.5 PIVOTAL LIST

Fasset’s PIVOTAL list is based on the scarce skills list described in Section 3.3. The occupational groups identified as in short supply form the basis of the list. The training interventions that are best suited to provide the skills required in those occupations are added to the list. The training interventions consist of the educational qualifications that are generally required in the sector and for the specific occupations as well as the learnerships used in the sector. Information from the projects for which educational institutions and professional bodies apply for funding is also considered in the development of the PIVOTAL list. The numerical values in the list are based on the number of people that employers report that they need.

3.6 KEY SKILLS ISSUES TO BE ADDRESSED BY THE SETA

Based on the sector profile presented in Chapter 1 and the discussion of key drivers of change in Chapter 2, Fasset has identified four broad skills issues that it needs to address.

3.6.1 THE NEED FOR A LONG-TERM AND HOLISTIC VIEW OF THE SKILLS PIPELINE

In Chapter 1 of this report the Fasset's sector's reliance on highly skilled professionals was illustrated. The sector is very labour intensive and the growth of the sector is dependent on the availability of skilled professionals. The training of people for professional positions takes several years and people have to move through various components of the skills development pipeline to become ready for the labour market. Deficiencies at any point in the pipeline can cause supply to become constrained. Fasset therefore has to monitor the supply pipeline, identify factors that stifle supply and intervene where possible. The current supply-side constraints are discussed in more detail in Chapter 3.

In the task of ensuring a steady flow of new entrants to the labour market, Fasset has to retain a long-term view. Most of the supply-side constraints are deeply rooted in the system and they cannot be addressed by short-term and haphazard interventions. Most of the new entrants who reach professional status with Fasset funding depend on this funding for multiple years. If funding or support is withdrawn learners are likely to drop out of the pipeline. The current uncertainty about NSDS IV and the future SETA landscape is hampering Fasset's ability to institute the long-term planning as it should.

3.6.2 ENSURING THAT NEW ENTRANTS REACH PROFESSIONAL STATUS

The second issue is closely linked to the first. People who work in occupations that are classified as professional occupations normally have a tertiary education. However, in the Fasset sector most professionals need more than that. They also need to belong to professional bodies and comply with the entry requirements of the professional bodies. That means that learners should progress through the total pipeline until they reach professional status. Professional bodies normally require work experience before new members can obtain full membership and professional designations. In most instances the work experience component of the learning pathways that lead to professional status are registered as learnerships. Enrolments on and completions of learnerships is therefore an important issue that Fasset needs to monitor and promote. Fasset also needs to support learners up to the point where they reach professional status.

Well-rounded professionals don't only need the technical skills that are gained through formal education and training, they also need soft skills and the ability to conduct themselves in a sophisticated business environment. In the Fasset Sector Survey (2013) employers identified the lack of these skills sets and personal rounding as one of the issues that they are battling with. Fasset has, over the last ten years or more invested in programmes that provide bridging between the educational system and the labour market. These programmes proved to be hugely successful (EE Research Focus, 2012). In the Sector Survey the majority of professional bodies called on Fasset to continue with these interventions (Fasset, 2013).

3.6.3 STRENGTHENING THE CAPACITY OF THE TVET COLLEGES AND IMPROVING THE ABSORPTION OF TVET LEARNERS IN THE LABOUR MARKET

The need to strengthen the TVET college system and to improve the absorption of learners from these colleges into the labour market is a skills issue that stems from the White Paper

for Post School Education and Training as well as the country's need for financial skills at different levels. A major stumbling block in the absorption of learners from these institutions (especially those on the N6 course in financial management) is the fact that they cannot find placement for the 18-month period of work integrated learning that is required before they can graduate with a National Diploma. Fasset is currently focusing on this issue.

3.6.4 SUPPORTING THE TRANSFORMATION OF THE SECTOR

The sector profile presented in Chapter 1 clearly shows that African Blacks are under-represented in managerial and professional occupational groups. This situation stems from a limited supply of fully qualified African Black professionals (i.e. people who have completed the whole educational pathway up to professional body membership) and a high demand for African Black financial professionals in all other sectors of the economy. Fasset needs to continue supporting the transformation process. At the same time it needs to support endeavours to retain African Black professionals in the Fasset sector itself.

3.7 CONCLUSIONS

The analysis presented in this chapter and in previous chapters clearly indicates that the supply of financial skills does not meet the demand for these skills in the Fasset sector and in the rest of the economy. The skills shortages are persistent – as the fact that the same occupations are identified by employers year after year illustrates. The biggest shortage is for accountants and auditors. These occupations use skills from the skills pipeline that runs from school level (NSC with maths) through higher education qualifications in accounting to professional body membership. The second area in which shortages are experienced is in ICT, the third is management consulting and the fourth is financial markets professionals. Skills shortages are to a large extent interlinked with the transformation goals of the organisations in the sector and will only be relieved through larger numbers of African Black graduates delivered by the education and training sector.

At this stage there is little statistical information available on the role of emigration in the creation of skills shortages. The employment of foreign nationals, especially in professional positions, to some extent helps to relieve skills shortages.

The reasons for the current mismatches in the sectoral labour market can be found at different points in the skills pipeline. (Table 3-14).

Table 3-14 Key challenges in skills formation in Fasset's sector

KEY POINT IN PIPELINE		KEY CHALLENGES
FET LEVEL	School	Maths passes
		Career Guidance
	TVET Colleges	Content of N Courses
		Lecturer capacity
		Infrastructure
		Work placements (N Diploma)
	Professional body qualifications	Qualifications in demand outside Fasset's sector
		Work experience needed for completion of qualifications

KEY POINT IN PIPELINE		KEY CHALLENGES
HET Level	Students – First degrees and diplomas	Need for financial assistance
		Low throughput rates
		Inadequate number of academic staff
	Students – Post graduate degrees	Need for financial assistance
		Low pass rate on CTA
		Inadequate number of academic staff
	Professional body qualifications	Insufficient number of learners progress to professional status
		Slower transformation at this level
		Drop-out from learnerships before completion
Workplace	Job seekers	Work readiness and ability to find employment
	Ownership of firms	Slow transformation
	Employees	Scarcities remain in certain occupations
		Transformation of sector profile
		Career development - challenging for small firms
		Need for high-level specialisation remains

4 SECTOR PARTNERSHIPS

4.1 INTRODUCTION

For the purposes of this chapter, a partnership is defined as an arrangement where two or more parties agree to cooperate to advance their mutual interests. In a partnership the overarching goals, the contributions of each partner, areas of responsibility, lines of authority and succession, methods for the evaluation of success and a variety of other factors are agreed upon. Agreements may be formalised in contracts or memoranda of understanding, or they can develop on a more informal basis over time.

Since its inception Fasset has developed numerous relationships that can be called “partnerships”. Most of the projects that are implemented in the Fasset sector involve the SETA, professional bodies, education and training providers, and employers. Because most of the skills shortages experienced in the sector are for qualified professionals, Fasset has to focus on interventions on NQF levels 6 and above. Fasset has only engaged with TVET colleges in the last two to three years.

This chapter provides a short overview of the most common partnership models used by Fasset.

4.2 PARTNERSHIPS WITH PROFESSIONAL BODIES

As indicated in Chapter 1 of this SSP, professional bodies play a crucial role in the Fasset sector and over time Fasset has developed a partnership model that proved to be working very well. The key elements of this model are depicted in Figure 4-1.

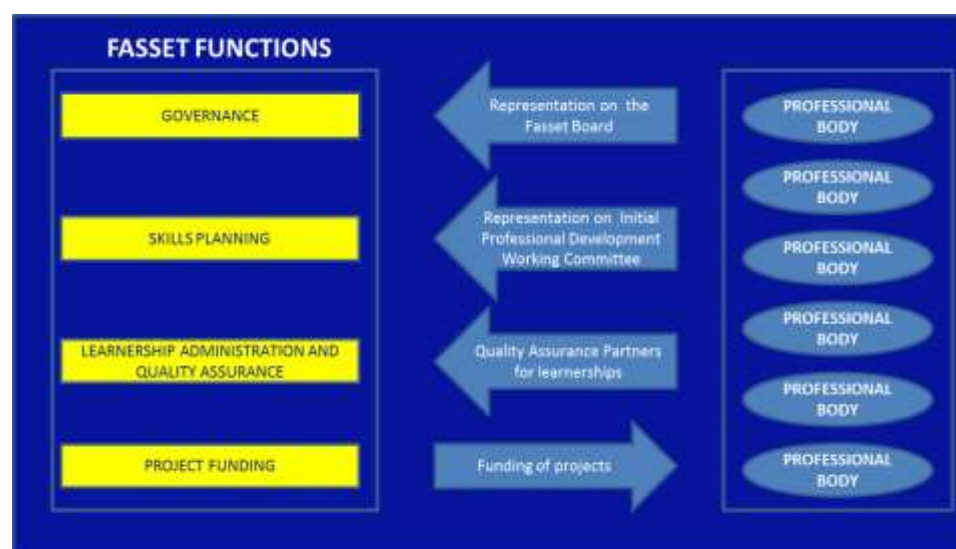


Figure 4-1 Fasset's partnership model with professional bodies

First, the professional body sector has representation on the Fasset Board. Although not all professional bodies are represented on the Board, the sector as such has a say in the governance of the SETA as well as in the strategic direction and funding decisions. A larger number of professional bodies have representation on the Initial Professional Development Working Committee - a committee established to deal specifically with issues regarding the development of professional financial skills.

The professional bodies in the sector are well placed to intervene in the skills development pipeline and several of them have initiated projects to stimulate the supply of and transformation of professional financial skills to the Fasset sector and to the broader South African economy. A well-known example is the Thuthuka project run by SAICA. Fasset has, over the last number of years opened a funding window for projects that are aimed at the development of professional skills that are in short supply. This funding is specifically available for professional bodies and higher education institutions. Several of the professional bodies have, in response to this initiative, developed programmes and projects that address deficiencies and blockages in the skills pipeline. Each of these projects is clearly defined and where appropriate, the professional bodies are expected to ensure that learners are placed in employment. Each of the projects also requires a period of tracking of the learners, once they have completed the learning programme. In this way Fasset can also monitor the success of the projects.

It is important to Fasset to maintain a level playing field for all professional bodies in the sector. For this reason and to uphold Fasset's fiduciary responsibilities, all funding is allocated according to strict tendering procedures and all disbursements are made in accordance with the requirements of the Public Finance Management Act (PFMA).

4.3 PARTNERSHIPS WITH EDUCATION INSTITUTIONS

The partnerships with education institutions are more or less similar to those with the professional bodies. Education institutions are also represented in the Initial Professional Development Working Committee and they also have access to the funding window that is available to professional bodies (Figure 4-2). It must be noted that many of the projects, are indeed three-way partnerships where professional bodies, education institutions and Fasset (as funding agent) work together on one project.

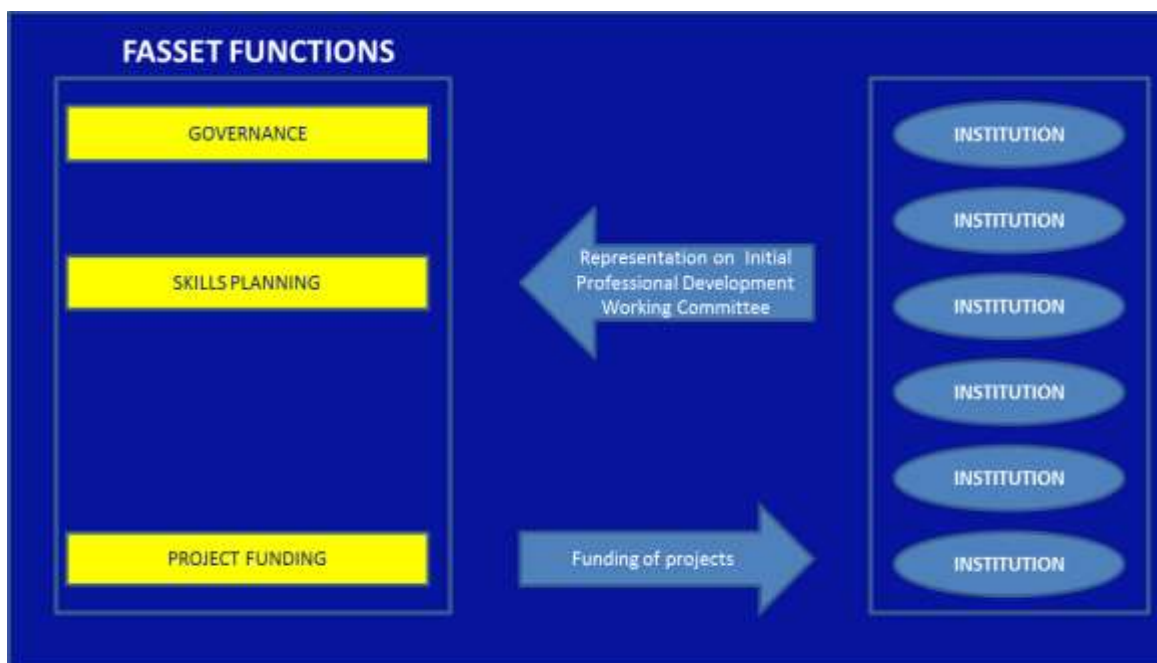


Figure 4-2 Fasset's partnership model with education institutions

The projects funded through professional bodies and higher education institutions fall in three categories:

- Bridging projects that lead to academic or professional body qualifications and designations
- Bridging projects for access to employment
- Comprehensive bursary scheme

Bridging projects that lead to academic or professional body qualifications and designations

The main aim of these projects is to improve the pass rates on programmes that lead to formal qualifications or professional designations. Subsequent to the completion of the programmes graduates are placed onto internships, learnerships or into full-time employment. Tuition fees, examination support courses, transport allowances and soft skills interventions are funded. So far a total of 4 906 learners have been recruited on these projects and an average placement rate of 58% has been achieved. (Ibid.)

Bridging projects for access to employment

These projects focus on upskilling unemployed learners in both the social and technical skills required to make them ready for the world of work. It has been determined that employers are reluctant to employ new graduates, especially on learnerships, due to their lack of experience in working environments. These projects seek to bridge the gap by funding and investing in these learners and by making them work-ready. Tuition fees, examination support courses and soft skills interventions are funded. Since the inception of these programmes in 2013 a total of 8 624 learners have been recruited onto these projects, and an average placement rate of 72% has been achieved.

Comprehensive bursary scheme

A comprehensive bursary scheme has been introduced to provide end-to-end support to the “missing middle” – the category of learners who are currently above the salary threshold/means test applied by NSFAS but are unfortunately not eligible to qualify for bank loans to fund tertiary studies. The bursary should provide comprehensive funding for tuition, accommodation, academic support courses, living allowance and coaching/mentorship, all of which is designed to support the learner fully and provides an enabling environment for the learner to successfully complete their studies. The bursary scheme is open to 2nd, 3rd year and postgraduate students at Universities and Universities of Technology who are pursuing studies linked to Fasset’s scarce skills.

The partnership models used for professional bodies and higher education institutions proved to be successful from several perspectives:

- The fact that the bodies and institutions are represented in Fasset’s governance structures ensures continuous dialogue between the SETA and these stakeholders and it enables Fasset to stay in touch with changes and developments in its sector and in the education and training sector.
- The fact that project funding is allocated through a strict tender process ensures that all institutions and professional bodies have a fair chance to obtain funding for training in their particular fields, that projects are directed towards the scarce skills identified in Fasset’s SSPs and that the projects with the best potential to bear results are selected. It also enables Fasset to allocate and manage its funding strictly according to the requirements of the PFMA.

The partnership models used for professional bodies and higher education institutions pose several challenges:

- One of the main challenges with professional bodies and universities is the lack of matriculants with good mathematics and English skills, thereby blocking their entrance to university.
- For professional bodies the main challenge is the access of learners to funding for education and fees to further their professional development.
- Challenges experienced in terms of individual projects are identified through Fasset's project management system and are dealt with timeously.

4.4 PARTNERSHIPS WITH TVET COLLEGES

As stated earlier in this SSP, historically the public TVET college sector has not been a major contributor of skills to the Fasset sector and Fasset has not been involved with TVET colleges. However, in reaction to the White Paper on Post School Education and Training and the Department of Higher Education and Training's requirement that SETAs should get involved with the TVET college sector, Fasset started to engage with TVET colleges on a pilot basis.

At first Fasset took a multi-pronged approach and partnered with a variety of parties and intervened at different levels: at the institutional level as well as at the student level. The pilot process clearly proved that the most effective intervention was the placement of N6 learners with employers for the 18-month workplace learning necessary for the completion of the National Diploma. At this stage Fasset continues with this intervention only. In this partnership with the TVET colleges and employers learners are selected through a formal selection process which includes psychometric testing and interviews conducted by the employers before they are placed. A logbook that was designed by Fasset is used by learners to record their work experience. Fasset pays the learner stipends and travel allowances for the duration of their placement and tracks their progress through the work placement period. This project has so far proved to be highly successful. A total of 464 learners have been placed with employers. Of the 106 of the first group of learners who have been traced after completion of their 18-month workplace learning 58% are currently employed by the employers where their work-based training was completed and another 11% found employment on their own.

The project is not without challenges though. For employers it was not easy to align their programmes with Fasset's processes and timelines, or to provide personnel to mentor and oversee the learners. Making resources available to accommodate the learners, establishing relationships with TVET colleges in order to select suitable candidates for the programme and establishing a robust recruitment and selection framework was also challenging.

Other challenges reported by employers during the work placement period include

- Negative attitude of some of the learners towards work
- Managing students' expectations
- Communication problems between employees and the learners
- Gauging the technical knowledge and skills of students throughout the work experience period
- Overseeing students sufficiently so that they can gain optimal work experience.

4.5 PARTNERSHIPS WITH EMPLOYERS

Fasset has been implementing employer grant schemes for some time aimed at incentivising employers to open up their workplaces for training and nurture a workplace culture of skills development whilst increasing the participation of African Black learners in the sector. Without employers as implementation agents for grants, learners would not have access to on-the-job training to access learnership and internship opportunities. Learners graduating from Fasset funded bridging programmes as well as TVET learners are placed with employers to obtain on-the-job training and professional qualifications.

4.6 PARTNERSHIPS WITH NSFAS

In addition to partnering with employers in the provision of bursaries via the grant scheme and the repayment of learner NSFAS loans through the National Student Financial Aid Scheme Loan Repayment Grant (NLRG), Fasset offers bursaries through the NSFAS bursary scheme. Through the NSFAS bursary scheme learners are being funded via NSFAS to complete their studies, via a direct contribution to the NSFAS from Fasset.

4.7 CONCLUSIONS

Fasset's long-standing partnerships with professional bodies and higher education institutions have become a crucial component of the SETA's interventions in the skills pipeline. Individual projects are monitored throughout and Fasset adapts its criteria for funding from time to time in order to give preference to the most successful intervention types. Placement in further education programmes and in employment remains a very important criterion for all these projects. The functions that professional bodies perform in terms of the promotion and administration of their own qualifications have enabled Fasset to sustain high levels of workplace-based education and training.

The TVET college project proved to be beneficial to the college learners as well as the employers in and outside Fasset's sector. The project is making a marked contribution to the improvement of throughput rates at the TVET colleges and, at the same time it is providing financial skills to the Fasset sector and to the rest of the economy. Employers are becoming more and more aware of the value of the qualifications offered by the TVET colleges.

5 SKILLS PRIORITY ACTIONS

This chapter outlines the broad skills development priorities that Fasset wants to address in this planning period. In the setting of skills development priorities, Fasset's Accounting Authority (Board) took into consideration the needs of the sector as they emerged from the analysis presented in the preceding five chapters as well as certain national imperatives and cross-cutting objectives emanating from Government's national strategies, policies. The skills needs of the broader economy are also considered as the Fasset sector acts as an incubator of finance and accounting skills.

This chapter outlines in the first instance the key findings from the previous four chapters that influenced the Board's decisions in terms of priority actions. The main priorities are then set out in more detail.

5.1 FINDINGS FROM PREVIOUS CHAPTERS

From the sector profile presented in Chapter 1 of this SSP it is clear that the Fasset sector, currently employs about 145 000 people, contributes approximately 1% of the employment opportunities in South Africa and about 6% of the jobs in the Finance, Real Estate and Business Services Sector. Approximately 80% of the workforce is employed in the medium and large organisations in the sector while the rest are employed in small organisations – mainly professional practices. Although the sector has made some progress in terms of transformation, the under-representation of African Black workers, especially at professional and managerial level, remains an issue that needs to be taken into consideration in skills planning.

The Fasset sector is a highly regulated sector and changes in legislation and in the regulatory environment are affecting the skills situation in the sector. The most important changes are the implementation of the Companies Act, 71 of 2008 which introduces new responsibilities for a range of professionals, including accountants, auditors, company secretaries, risk managers and internal auditors. Other changes include the expanding regulatory and governance requirements that follow on the introduction of the King Codes, changes in the tax environment, changes in the regulation of the financial markets, changes in the registration requirements for auditors and the imminent regulation of the accountancy professions.

Fasset's planning is to a very large extent influenced by national policies and strategies, especially the NDP and the White Paper for Post-School Education and Training. Consideration was also given to IPAP and the requirements of the SIPs.

The four most important skills issues that Fasset needs to contend with and that need to be addressed in its priority setting are:

- The need for a long-term and holistic view of the skills pipeline;
- Ensuring that new entrants reach professional status
- Strengthening the capacity of the TVET colleges and improving the absorption of TVET learners in the labour market and
- Supporting the population group transformation of the sector.

The analysis presented in Chapter 3 of this SSP clearly indicates that the supply of financial skills does not meet the demand for these skills in the Fasset sector and in the rest of the economy. Skills shortages are to a large extent interlinked with the transformation goals of the organisations in the sector and will only be relieved through larger numbers of African

Black graduates delivered by the education and training sector. The reasons for the current mismatches in the sectoral labour market can be found at different points in the skills pipeline and consequently, in the setting of skills development priorities, the Board took into consideration the skills formation process as it spans the lifetimes of individuals. This process is illustrated in Figure 5-1. As indicated in Chapter 3 of this SSP, skills formation already starts at school level. It then continues through post-school education to the point where a person enters the labour market for the first time. Two very important transitional moments in this process are the transition from school to post-school education and from post-school education to the labour market. Once established in the labour market, people need to continue with the development of skills in order to progress in their careers and in order to stay abreast with changes in the world of work. In the conceptualisation of skills development priorities and interventions for the SETA, Fasset attempts to address the full spectrum of the pipeline to varying extents.

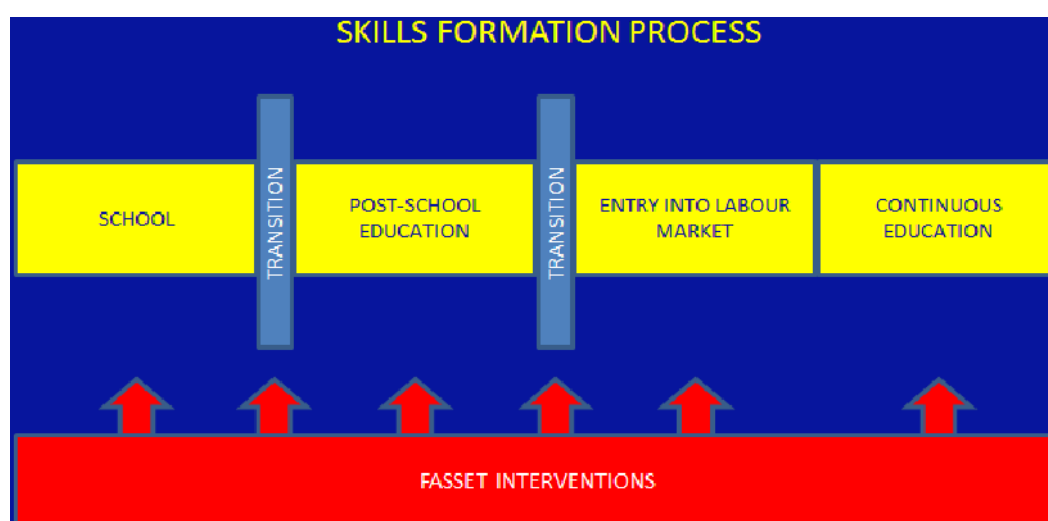


Figure 5-1 The education and skills formation pipeline and Fasset's interventions along the process

Fasset shares the responsibility of skills formation with many other role players, including Government, the post-school education and training system, professional bodies and employers. In its strategic decision-making, Fasset's Board also had to consider the SETA's responsibilities and available resources in relation to the responsibilities and resources of other role players. Partnerships are entered into where possible and where required.

5.2 RECOMMENDED ACTIONS

After considering the analysis presented in the preceding chapters, the requirements of the Fasset sector as well as certain national imperatives and cross-cutting objectives emanating from Government's national strategies and policies and the skills needs of the broader economy, three skills development priorities were identified and are described below. These are 1) Increasing the flow of new finance and accountancy entrants to employment, 2) Developing and growing the skills required in the sector, and 3) Facilitating transformation of the Finance and Accounting Services Sector.

5.2.1 INCREASING THE FLOW OF NEW FINANCE AND ACCOUNTANCY ENTRANTS TO EMPLOYMENT

Fasset's first overarching priority is to ensure a steady increase in the flow of new finance and accountancy entrants to the sector and into the financial divisions in organisations in the rest of the economy. This increase should be large enough to provide for the systematic eradication of the skills shortages that are currently experienced, for the expected growth of the economy, and for the replacement demand that exists in the sector. New entrants should possess the professional and technical qualifications required by the sector and should increasingly reflect the racial composition of the South African population. This priority focuses on different places in the access routes into the sector, as described in Figure 3-1 of this SSP. The priorities also address the different components of the education and training pipeline into the sector – from FET level through to workplace training.

The specific priorities related to the overarching priority of increasing the flow of new finance and accountancy entrants to the labour market are listed in Table 5-1. The way in which they relate to the different components of the skills development pipeline are shown in Figure 5-2.

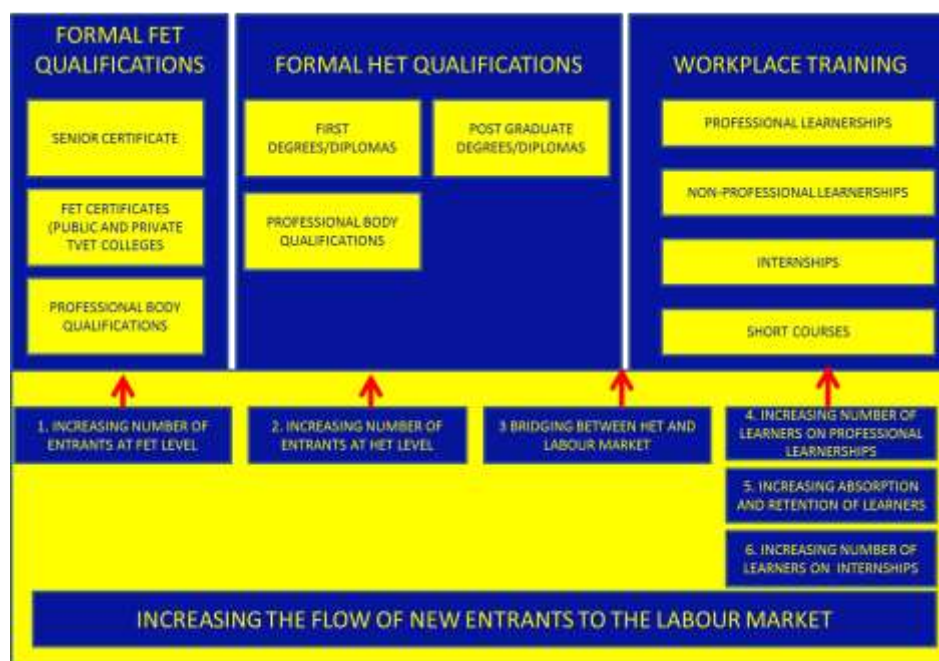


Figure 5-2 Fasset's first priority in relation to the skills development pipeline

Fasset's interventions start before FET level, with career guidance initiatives and continue through to full professional levels. Fasset addresses the skills needs in the sector, as well as the broader economy, via its role as a SETA.

Table 5-1 Skills development priorities (aligned to NSDS objectives) to increase the flow of new entrants to the labour market

#	Priority	Entry route	Level of skill
1	Increasing the flow of new finance and accounting entrants to employment	Entry route 1	Middle level skills

#	Priority	Entry route	Level of skill
2	Increasing the number of entrants at HET level	Entry route 2	High level skill
3	Increasing the number of entrants to employment	Entry route 3 and 4	High level skill
4	Developing work readiness of entrants at HET level	Entry route 2	High level skill
5	Increasing the number of learners who qualify on professional body learnerships	Entry route 3 and 4	High level skill
6	Increasing the retention, work readiness and employment absorption of learners on learnerships	Entry route 3 and 4	High level skill
7	Increasing the number of learners that enter employment through internships	Entry route 6	High level skill

5.2.2 DEVELOPING AND GROWING THE SKILLS REQUIRED IN THE SECTOR

Fasset's overall priority is to ensure that all employees in the sector have access to quality education and training. This education and training should be linked to the business objectives of employer organisations and, in medium-sized- and large organisations; it should support the employment equity plans of the organisations. The specific skills development priorities that will be addressed in the planning period covered by this SSP are listed in Table 5-2 below.

Public sector organisations will become more involved in skills development initiatives owing to a directive issued by the Department of Public Service and Administration (DPSA) ordering government departments to pay a percentage of the one per cent skills development levy to SETAs.

Table 5-2 Skills development priorities to develop and maintain the skills base of the current workforce

#	Priority	Level of skill
8	Increasing the number of employees in employment at FET and HET levels	Mid and high level skill
9	Ensuring that employees receive training (short courses and skills programmes)	Mid and high level skill
10	Supporting skills development in small organisations	Mid and high level skill

5.2.3 FACILITATING TRANSFORMATION OF THE FASSET SECTOR

African Black people and people with disabilities are under-represented at a professional, management and senior management level in the Fasset sector. Fasset, professional bodies associated with Fasset and educational institutions, have, for many years been engaged in initiatives to ensure that this skewed demographic is transformed.

Financial professionals form the core of employment in the sector and it is therefore imperative that young talented African Black professionals and people with disabilities are attracted into the sector and complete relevant further and tertiary qualifications, as well as professional body learnerships in order to become full members of the professional bodies active in the sector.

As indicated above, the only population group that is under-represented in Fasset's sector is African Black people. People with disabilities of all races, are also under-represented in this sector. For this reason, one of the fundamental goals of Fasset is to address the demographic imbalance of employment in the sector by directing funding into numerous initiatives for African Black people across the educational and career pipeline.

Table 5-3 Skills development priorities to facilitate transformation in the Fasset sector

#	Priority	Entry route	Level of skill
11	Increasing the number of African Black entrants to the employment at FET level	Entry route 1	Mid-level skill
12	Increasing the number of African Black entrants at HET level	Entry route 2	High level skill
13	Increasing the number of African Black entrants into employment	Entry route 3 and 4	High level skill
14	Developing work readiness of entrants at HET level	Entry route 2	High level skill
15	Increasing the number of learners who qualify on professional body learnerships	Entry route 3 and 4	High level skill
16	Increasing the retention, work readiness and employment absorption of learners on learnerships	Entry route 3 and 4	Mid and high level skill
17	Increasing the number of learners that enter the employment through internships	Entry route 6	High level skill
18	Increasing the number of employees in the employment at a FET and HET levels	Entry route 3 and 4	Mid and high level skill
19	Ensuring that employees receive training (short courses and skills programmes)		Mid and high level skill
20	Supporting skills development in small organisations (Middle and high level skills)		Mid and high level skill

5.3 CONCLUSIONS

This chapter outlined, in broad terms, the skills development priorities for the Financial and Accounting Services Sector for the period covered by this SSP update. These priorities will guide Fasset's funding strategies and activities. The three broad areas covered by the skills development priorities are:

- Increasing the flow of new finance and accountancy entrants into employment via placement initiatives,
- Developing and growing the skills required in the sector via the funding and support of education in the sector, and
- Facilitating transformation of the finance and accountancy sector.

Specific priorities were set for each of these broad priority areas. Specific objectives and proposed targets to which Fasset can commit to are described in the Strategic Plan.

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Pivotal Skills List



DRAFT - SETAs' Pivotal Skills List - TO BE FINALISED AFTER BOARD STRATEGIC SESSION IN JULY 2016

SETA NAME	SHORT/MEDIUM /LONG TERM	Rank	Fasset Group Name	PERIOD	OCCUPATION CODE	OCCUPATION	SPECIALISATION/ ALTERNATIVE TITLE	INTERVENTION PLANNED BY THE SETA	NQF LEVEL	NQF ALIGNED Y/N	QUANTITY NEEDED	Quantity to be supported by SETA	0-100	101-1000	1001 & ABOVE	COMMENTS
FASSET	SHORT-TERM	1	Accountants and Auditors	2016-2017	241101	Accountant (General)	Not applicable	Grants and projects to increase throughput on Professional, Vocational, Academic and Technical (PIVOTAL) programmes such as qualifications and learnerships	TBA	TBA	2 530	TBA			Yes	Inadequate number of graduates from tertiary institutions able to enter learnerships. Shortage of African Black learners.
FASSET	SHORT-TERM	1	Accountants and Auditors	2016-2017	241104	External Auditor	Not applicable	Grants and projects to increase throughput on Professional, Vocational, Academic and Technical (PIVOTAL) programmes such as qualifications and learnerships	TBA	TBA	366	TBA		Yes		Inadequate number of graduates from tertiary institutions able to enter learnerships. Shortage of African Black learners.
FASSET	SHORT-TERM	1	Accountants and Auditors	2016-2017	121101	Finance Manager	Not applicable	Grants and projects to increase throughput on Professional, Vocational, Academic and Technical (PIVOTAL) programmes such as qualifications and learnerships	TBA	TBA	265	TBA		Yes		Inadequate number of graduates from tertiary institutions able to enter learnerships. Shortage of African Black learners.
FASSET	SHORT-TERM	1	Accountants and Auditors	2016-2017	241103	Tax Professional	Not applicable	Grants and projects to increase throughput on Professional, Vocational, Academic and Technical (PIVOTAL) programmes such as qualifications and learnerships	TBA	TBA	147	TBA		Yes		Inadequate number of graduates from tertiary institutions able to enter learnerships. Shortage of African Black learners.
FASSET	SHORT-TERM	1	Accountants and Auditors	2016-2017	241106	Accountant in Practice	Not applicable	Grants and projects to increase throughput on Professional, Vocational, Academic and Technical (PIVOTAL) programmes such as qualifications and learnerships	TBA	TBA	36	TBA	Yes			Inadequate number of graduates from tertiary institutions able to enter learnerships. Shortage of African Black learners.
FASSET	SHORT-TERM	1	Accountants and Auditors	2016-2017	331302	Accounting Technician	Not applicable	Grants and projects to increase throughput on Professional, Vocational, Academic and Technical (PIVOTAL) programmes such as qualifications and learnerships	TBA	TBA	24	TBA	Yes			Inadequate number of graduates from tertiary institutions able to enter learnerships. Shortage of African Black learners.

SETA NAME	SHORT/MEDIUM /LONG TERM	Rank	Fasset Group Name	PERIOD	OCCUPATION CODE	OCCUPATION	SPECIALISATION/ ALTERNATIVE TITLE	INTERVENTION PLANNED BY THE SETA	NQF LEVEL	NQF ALIGNED Y/N	QUANTITY NEEDED	Quantity to be supported by SETA	0-100	101-1000	1001 & ABOVE	COMMENTS
FASSET	SHORT-TERM	1	Accountants and Auditors	2016-2017	241102	Management Accountant	Not applicable	Grants and projects to increase throughput on Professional, Vocational, Academic and Technical (PIVOTAL) programmes such as qualifications and learnerships	TBA	TBA	19	TBA	Yes			Inadequate number of graduates from tertiary institutions able to enter learnerships. Shortage of African Black learners.
FASSET	SHORT-TERM	1	Accountants and Auditors	2016-2017	241107	Financial Accountant	Not applicable	Grants and projects to increase throughput on Professional, Vocational, Academic and Technical (PIVOTAL) programmes such as qualifications and learnerships	TBA	TBA	17	TBA	Yes			Inadequate number of graduates from tertiary institutions able to enter learnerships. Shortage of African Black learners.
FASSET	SHORT-TERM	1	Accountants and Auditors	2016-2017	331303	Tax Technician	Not applicable	Grants and projects to increase throughput on Professional, Vocational, Academic and Technical (PIVOTAL) programmes such as qualifications and learnerships	TBA	TBA	13	TBA	Yes			Inadequate number of graduates from tertiary institutions able to enter learnerships. Shortage of African Black learners.
FASSET	SHORT-TERM	1	Accountants and Auditors	2016-2017	121102	Payroll Manager	Not applicable	Grants and projects to increase throughput on Professional, Vocational, Academic and Technical (PIVOTAL) programmes such as qualifications and learnerships	TBA	TBA	9	TBA	Yes			Inadequate number of graduates from tertiary institutions able to enter learnerships. Shortage of African Black learners.
FASSET	SHORT-TERM	2	ICT Professionals	2016-2017	251202	Programmer Analyst	Not applicable	Grants and projects to increase throughput on Professional, Vocational, Academic and Technical (PIVOTAL) programmes such as qualifications and learnerships	TBA	TBA	290	TBA		Yes		Inadequate number of graduates from tertiary institutions able to enter learnerships. Shortage of African Black learners.
FASSET	SHORT-TERM	2	ICT Professionals	2016-2017	251101	ICT Systems Analyst	Not applicable	Grants and projects to increase throughput on Professional, Vocational, Academic and Technical (PIVOTAL) programmes such as qualifications and learnerships	TBA	TBA	138	TBA		Yes		Inadequate number of graduates from tertiary institutions able to enter learnerships. Shortage of African Black learners.
FASSET	SHORT-TERM	2	ICT Professionals	2016-2017	252101	Database Designer and Administrator	Not applicable	Grants and projects to increase throughput on Professional, Vocational, Academic and Technical (PIVOTAL) programmes such as qualifications and learnerships	TBA	TBA	133	TBA		Yes		Inadequate number of graduates from tertiary institutions able to enter learnerships. Shortage of African Black learners.

SETA NAME	SHORT/MEDIUM /LONG TERM	Rank	Fasset Group Name	PERIOD	OCCUPATION CODE	OCCUPATION	SPECIALISATION/ ALTERNATIVE TITLE	INTERVENTION PLANNED BY THE SETA	NQF LEVEL	NQF ALIGNED Y/N	QUANTITY NEEDED	Quantity to be supported by SETA	0-100	101-1000	1001 & ABOVE	COMMENTS
FASSET	SHORT-TERM	2	ICT Professionals	2016-2017	251203	Developer Programmer	Not applicable	Grants and projects to increase throughput on Professional, Vocational, Academic and Technical (PIVOTAL) programmes such as qualifications and learnerships	TBA	TBA	64	TBA	Yes			Inadequate number of graduates from tertiary institutions able to enter learnerships. Shortage of African Black learners.
FASSET	SHORT-TERM	2	ICT Professionals	2016-2017	133102	ICT Project Manager	Not applicable	Grants and projects to increase throughput on Professional, Vocational, Academic and Technical (PIVOTAL) programmes such as qualifications and learnerships	TBA	TBA	60	TBA	Yes			Inadequate number of graduates from tertiary institutions able to enter learnerships. Shortage of African Black learners.
FASSET	SHORT-TERM	2	ICT Professionals	2016-2017	251201	Software Developer	Not applicable	Grants and projects to increase throughput on Professional, Vocational, Academic and Technical (PIVOTAL) programmes such as qualifications and learnerships	TBA	TBA	59	TBA	Yes			Inadequate number of graduates from tertiary institutions able to enter learnerships. Shortage of African Black learners.
FASSET	SHORT-TERM	2	ICT Professionals	2016-2017	121905	Programme or Project Manager	Not applicable	Grants and projects to increase throughput on Professional, Vocational, Academic and Technical (PIVOTAL) programmes such as qualifications and learnerships	TBA	TBA	55	TBA	Yes			Inadequate number of graduates from tertiary institutions able to enter learnerships. Shortage of African Black learners.
FASSET	SHORT-TERM	2	ICT Professionals	2016-2017	252201	Systems Administrator	Not applicable	Grants and projects to increase throughput on Professional, Vocational, Academic and Technical (PIVOTAL) programmes such as qualifications and learnerships	TBA	TBA	38	TBA	Yes			Inadequate number of graduates from tertiary institutions able to enter learnerships. Shortage of African Black learners.
FASSET	SHORT-TERM	2	ICT Professionals	2016-2017	133101	Chief Information Officer	Not applicable	Grants and projects to increase throughput on Professional, Vocational, Academic and Technical (PIVOTAL) programmes such as qualifications and learnerships	TBA	TBA	30	TBA	Yes			Inadequate number of graduates from tertiary institutions able to enter learnerships. Shortage of African Black learners.
FASSET	SHORT-TERM	2	ICT Professionals	2016-2017	243403	ICT Sales Representative	Not applicable	Grants and projects to increase throughput on Professional, Vocational, Academic and Technical (PIVOTAL) programmes such as qualifications and learnerships	TBA	TBA	24	TBA	Yes			Inadequate number of graduates from tertiary institutions able to enter learnerships. Shortage of African Black learners.

SETA NAME	SHORT/MEDIUM /LONG TERM	Rank	Fasset Group Name	PERIOD	OCCUPATION CODE	OCCUPATION	SPECIALISATION/ ALTERNATIVE TITLE	INTERVENTION PLANNED BY THE SETA	NQF LEVEL	NQF ALIGNED Y/N	QUANTITY NEEDED	Quantity to be supported by SETA	0-100	101-1000	1001 & ABOVE	COMMENTS
FASSET	SHORT-TERM	2	ICT Professionals	2016-2017	252901	ICT Security Specialist	Not applicable	Grants and projects to increase throughput on Professional, Vocational, Academic and Technical (PIVOTAL) programmes such as qualifications and learnerships	TBA	TBA	18	TBA	Yes			Inadequate number of graduates from tertiary institutions able to enter learnerships. Shortage of African Black learners.
FASSET	SHORT-TERM	2	ICT Professionals	2016-2017	216603	Multimedia Designer	Not applicable	Grants and projects to increase throughput on Professional, Vocational, Academic and Technical (PIVOTAL) programmes such as qualifications and learnerships	TBA	TBA	13	TBA	Yes			Inadequate number of graduates from tertiary institutions able to enter learnerships. Shortage of African Black learners.
FASSET	SHORT-TERM	2	ICT Professionals	2016-2017	251401	Applications Programmer	Not applicable	Grants and projects to increase throughput on Professional, Vocational, Academic and Technical (PIVOTAL) programmes such as qualifications and learnerships	TBA	TBA	12	TBA	Yes			Inadequate number of graduates from tertiary institutions able to enter learnerships. Shortage of African Black learners.
FASSET	SHORT-TERM	2	ICT Professionals	2016-2017	252301	Computer Network and Systems Engineer	Not applicable	Grants and projects to increase throughput on Professional, Vocational, Academic and Technical (PIVOTAL) programmes such as qualifications and learnerships	TBA	TBA	8	TBA	Yes			Inadequate number of graduates from tertiary institutions able to enter learnerships. Shortage of African Black learners.
FASSET	SHORT-TERM	2	ICT Professionals	2016-2017	235601	ICT Trainer	Not applicable	Grants and projects to increase throughput on Professional, Vocational, Academic and Technical (PIVOTAL) programmes such as qualifications and learnerships	TBA	TBA	6	TBA	Yes			Inadequate number of graduates from tertiary institutions able to enter learnerships. Shortage of African Black learners.
FASSET	SHORT-TERM	2	ICT Professionals	2016-2017	133105	Information Technology Manager	Not applicable	Grants and projects to increase throughput on Professional, Vocational, Academic and Technical (PIVOTAL) programmes such as qualifications and learnerships	TBA	TBA	6	TBA	Yes			Inadequate number of graduates from tertiary institutions able to enter learnerships. Shortage of African Black learners.
FASSET	SHORT-TERM	2	ICT Professionals	2016-2017	351301	Computer Network Technician	Not applicable	Grants and projects to increase throughput on Professional, Vocational, Academic and Technical (PIVOTAL) programmes such as qualifications and learnerships	TBA	TBA	5	TBA	Yes			Inadequate number of graduates from tertiary institutions able to enter learnerships. Shortage of African Black learners.

SETA NAME	SHORT/MEDIUM /LONG TERM	Rank	Fasset Group Name	PERIOD	OCCUPATION CODE	OCCUPATION	SPECIALISATION/ ALTERNATIVE TITLE	INTERVENTION PLANNED BY THE SETA	NQF LEVEL	NQF ALIGNED Y/N	QUANTITY NEEDED	Quantity to be supported by SETA	0-100	101-1000	1001 & ABOVE	COMMENTS
FASSET	SHORT-TERM	3	Management Consultants	2016-2017	242102	Organisation and Methods Analyst	Not applicable	Grants and projects to increase throughput on Professional, Vocational, Academic and Technical (PIVOTAL) programmes such as qualifications and learnerships	TBA	TBA	281	TBA		Yes		Inadequate number of graduates from tertiary institutions able to enter learnerships. Shortage of African Black learners.
FASSET	SHORT-TERM	3	Management Consultants	2016-2017	242101	Management Consultant	Not applicable	Grants and projects to increase throughput on Professional, Vocational, Academic and Technical (PIVOTAL) programmes such as qualifications and learnerships	TBA	TBA	172	TBA		Yes		Inadequate number of graduates from tertiary institutions able to enter learnerships. Shortage of African Black learners.
FASSET	SHORT-TERM	3	Management Consultants	2016-2017	242202	Policy Analyst	Not applicable	Grants and projects to increase throughput on Professional, Vocational, Academic and Technical (PIVOTAL) programmes such as qualifications and learnerships	TBA	TBA	62	TBA	Yes			Inadequate number of graduates from tertiary institutions able to enter learnerships. Shortage of African Black learners.
FASSET	SHORT-TERM	4	Financial Markets Professionals	2016-2017	241301	Financial Investment Advisor	Not applicable	Grants and projects to increase throughput on Professional, Vocational, Academic and Technical (PIVOTAL) programmes such as qualifications and learnerships	TBA	TBA	177	TBA		Yes		Inadequate number of graduates from tertiary institutions able to enter learnerships. Shortage of African Black learners.
FASSET	SHORT-TERM	4	Financial Markets Professionals	2016-2017	241202	Investment Manager	Not applicable	Grants and projects to increase throughput on Professional, Vocational, Academic and Technical (PIVOTAL) programmes such as qualifications and learnerships	TBA	TBA	112	TBA		Yes		Inadequate number of graduates from tertiary institutions able to enter learnerships. Shortage of African Black learners.
FASSET	SHORT-TERM	4	Financial Markets Professionals	2016-2017	241201	Investment Analyst	Not applicable	Grants and projects to increase throughput on Professional, Vocational, Academic and Technical (PIVOTAL) programmes such as qualifications and learnerships	TBA	TBA	88	TBA	Yes			Inadequate number of graduates from tertiary institutions able to enter learnerships. Shortage of African Black learners.
FASSET	SHORT-TERM	4	Financial Markets Professionals	2016-2017	241203	Investment Advisor	Not applicable	Grants and projects to increase throughput on Professional, Vocational, Academic and Technical (PIVOTAL) programmes such as qualifications and learnerships	TBA	TBA	33	TBA	Yes			Inadequate number of graduates from tertiary institutions able to enter learnerships. Shortage of African Black learners.

SETA NAME	SHORT/MEDIUM /LONG TERM	Rank	Fasset Group Name	PERIOD	OCCUPATION CODE	OCCUPATION	SPECIALISATION/ ALTERNATIVE TITLE	INTERVENTION PLANNED BY THE SETA	NQF LEVEL	NQF ALIGNED Y/N	QUANTITY NEEDED	Quantity to be supported by SETA	0-100	101-1000	1001 & ABOVE	COMMENTS
FASSET	SHORT-TERM	4	Financial Markets Professionals	2016-2017	331101	Securities Dealer	Not applicable	Grants and projects to increase throughput on Professional, Vocational, Academic and Technical (PIVOTAL) programmes such as qualifications and learnerships	TBA	TBA	33	TBA	Yes			Inadequate number of graduates from tertiary institutions able to enter learnerships. Shortage of African Black learners.
FASSET	SHORT-TERM	4	Financial Markets Professionals	2016-2017	241204	Financial Markets Practitioner	Not applicable	Grants and projects to increase throughput on Professional, Vocational, Academic and Technical (PIVOTAL) programmes such as qualifications and learnerships	TBA	TBA	32	TBA	Yes			Inadequate number of graduates from tertiary institutions able to enter learnerships. Shortage of African Black learners.
FASSET	SHORT-TERM	4	Financial Markets Professionals	2016-2017	242207	Compliance Officer	Not applicable	Grants and projects to increase throughput on Professional, Vocational, Academic and Technical (PIVOTAL) programmes such as qualifications and learnerships	TBA	TBA	13	TBA	Yes			Inadequate number of graduates from tertiary institutions able to enter learnerships. Shortage of African Black learners.
FASSET	SHORT-TERM	4	Financial Markets Professionals	2016-2017	134603	Financial Markets Business Manager	Not applicable	Grants and projects to increase throughput on Professional, Vocational, Academic and Technical (PIVOTAL) programmes such as qualifications and learnerships	TBA	TBA	11	TBA	Yes			Inadequate number of graduates from tertiary institutions able to enter learnerships. Shortage of African Black learners.
FASSET	SHORT-TERM	4	Financial Markets Professionals	2016-2017	332401	Commodities Trader	Not applicable	Grants and projects to increase throughput on Professional, Vocational, Academic and Technical (PIVOTAL) programmes such as qualifications and learnerships	TBA	TBA	10	TBA	Yes			Inadequate number of graduates from tertiary institutions able to enter learnerships. Shortage of African Black learners.
FASSET	SHORT-TERM	5	Bookkeepers, accounting technicians and clerks	2016-2017	431101	Accounts Clerk	Not applicable	Grants and projects to increase throughput on Professional, Vocational, Academic and Technical (PIVOTAL) programmes such as qualifications and learnerships	TBA	TBA	123	TBA		Yes		Inadequate number of graduates from tertiary institutions able to enter learnerships. Shortage of African Black learners.
FASSET	SHORT-TERM	5	Bookkeepers, accounting technicians and clerks	2016-2017	331301	Bookkeeper	Not applicable	Grants and projects to increase throughput on Professional, Vocational, Academic and Technical (PIVOTAL) programmes such as qualifications and learnerships	TBA	TBA	44	TBA	Yes			Inadequate number of graduates from tertiary institutions able to enter learnerships. Shortage of African Black learners.

SETA NAME	SHORT/MEDIUM /LONG TERM	Rank	Fasset Group Name	PERIOD	OCCUPATION CODE	OCCUPATION	SPECIALISATION/ ALTERNATIVE TITLE	INTERVENTION PLANNED BY THE SETA	NQF LEVEL	NQF ALIGNED Y/N	QUANTITY NEEDED	Quantity to be supported by SETA	0-100	101-1000	1001 & ABOVE	COMMENTS
FASSET	SHORT-TERM	5	Bookkeepers, accounting technicians and clerks	2016-2017	331201	Credit or Loans Officer	Not applicable	Grants and projects to increase throughput on Professional, Vocational, Academic and Technical (PIVOTAL) programmes such as qualifications and learnerships	TBA	TBA	21	TBA	Yes			Inadequate number of graduates from tertiary institutions able to enter learnerships. Shortage of African Black learners.
FASSET	SHORT-TERM	5	Bookkeepers, accounting technicians and clerks	2016-2017	431301	Payroll Clerk	Not applicable	Grants and projects to increase throughput on Professional, Vocational, Academic and Technical (PIVOTAL) programmes such as qualifications and learnerships	TBA	TBA	21	TBA	Yes			Inadequate number of graduates from tertiary institutions able to enter learnerships. Shortage of African Black learners.
FASSET	SHORT-TERM	5	Bookkeepers, accounting technicians and clerks	2016-2017	431301	Payroll Clerk	Not applicable	Grants and projects to increase throughput on Professional, Vocational, Academic and Technical (PIVOTAL) programmes such as qualifications and learnerships	TBA	TBA		TBA				Inadequate number of graduates from tertiary institutions able to enter learnerships. Shortage of African Black learners.
FASSET	SHORT-TERM	6	Internal auditors and risk managers	2016-2017	121104	Internal Audit Manager	Not applicable	Grants and projects to increase throughput on Professional, Vocational, Academic and Technical (PIVOTAL) programmes such as qualifications and learnerships	TBA	TBA	84	TBA	Yes			Inadequate number of graduates from tertiary institutions able to enter learnerships. Shortage of African Black learners.
FASSET	SHORT-TERM	6	Internal auditors and risk managers	2016-2017	242211	Internal Auditor	Not applicable	Grants and projects to increase throughput on Professional, Vocational, Academic and Technical (PIVOTAL) programmes such as qualifications and learnerships	TBA	TBA	78	TBA	Yes			Inadequate number of graduates from tertiary institutions able to enter learnerships. Shortage of African Black learners.
FASSET	SHORT-TERM	6	Internal auditors and risk managers	2016-2017	242208	Organisational Risk Manager	Not applicable	Grants and projects to increase throughput on Professional, Vocational, Academic and Technical (PIVOTAL) programmes such as qualifications and learnerships	TBA	TBA	19	TBA	Yes			Inadequate number of graduates from tertiary institutions able to enter learnerships. Shortage of African Black learners.
FASSET	SHORT-TERM	7	Actuaries and statisticians	2016-2017	212101	Actuary	Not applicable	Grants and projects to increase throughput on Professional, Vocational, Academic and Technical (PIVOTAL) programmes such as qualifications and learnerships	TBA	TBA	111	TBA		Yes		Inadequate number of graduates from tertiary institutions able to enter learnerships. Shortage of African Black learners.

SETA NAME	SHORT/MEDIUM /LONG TERM	Rank	Fasset Group Name	PERIOD	OCCUPATION CODE	OCCUPATION	SPECIALISATION/ ALTERNATIVE TITLE	INTERVENTION PLANNED BY THE SETA	NQF LEVEL	NQF ALIGNED Y/N	QUANTITY NEEDED	Quantity to be supported by SETA	0-100	101-1000	1001 & ABOVE	COMMENTS
FASSET	SHORT-TERM	7	Actuaries and statisticians	2016-2017	212103	Statistician	Not applicable	Grants and projects to increase throughput on Professional, Vocational, Academic and Technical (PIVOTAL) programmes such as qualifications and learnerships	TBA	TBA	8	TBA	Yes			Inadequate number of graduates from tertiary institutions able to enter learnerships. Shortage of African Black learners.
FASSET	SHORT-TERM	8	Debt Collectors	2016-2017	421401	Debt Collector	Not applicable	Grants and projects to increase throughput on Professional, Vocational, Academic and Technical (PIVOTAL) programmes such as qualifications and learnerships	TBA	TBA	102	TBA		Yes		Inadequate number of graduates from tertiary institutions able to enter learnerships. Shortage of African Black learners.
FASSET	SHORT-TERM	9	Marketing Professionals	2016-2017	243103	Marketing Practitioner	Not applicable	Grants and projects to increase throughput on Professional, Vocational, Academic and Technical (PIVOTAL) programmes such as qualifications and learnerships	TBA	TBA	55	TBA	Yes			Inadequate number of graduates from tertiary institutions able to enter learnerships. Shortage of African Black learners.
FASSET	SHORT-TERM	9	Marketing Professionals	2016-2017	122105	Customer Service Manager	Not applicable	Grants and projects to increase throughput on Professional, Vocational, Academic and Technical (PIVOTAL) programmes such as qualifications and learnerships	TBA	TBA	14	TBA	Yes			Inadequate number of graduates from tertiary institutions able to enter learnerships. Shortage of African Black learners.
FASSET	SHORT-TERM	9	Marketing Professionals	2016-2017	122101	Sales and Marketing Manager	Not applicable	Grants and projects to increase throughput on Professional, Vocational, Academic and Technical (PIVOTAL) programmes such as qualifications and learnerships	TBA	TBA	6	TBA	Yes			Inadequate number of graduates from tertiary institutions able to enter learnerships. Shortage of African Black learners.
FASSET	SHORT-TERM	9	Marketing Professionals	2016-2017	122103	Director of Marketing	Not applicable	Grants and projects to increase throughput on Professional, Vocational, Academic and Technical (PIVOTAL) programmes such as qualifications and learnerships	TBA	TBA	5	TBA	Yes			Inadequate number of graduates from tertiary institutions able to enter learnerships. Shortage of African Black learners.
FASSET	SHORT-TERM	10	Economists	2016-2017	263101	Economist	Not applicable	Grants and projects to increase throughput on Professional, Vocational, Academic and Technical (PIVOTAL) programmes such as qualifications and learnerships	TBA	TBA	61	TBA	Yes			Inadequate number of graduates from tertiary institutions able to enter learnerships. Shortage of African Black learners.