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## ACRONYMS

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|                 |   |
|-----------------|---|
| <b>AAG</b>      | Annual Average Growth   |
| <b>AAT(SA)</b>  | Association of Accounting Technicians South Africa                      |
| <b>ACCA</b>     | Association for Chartered Certified Accountants                         |
| <b>ACFESA</b>   | Association for Certified Fraud Examiners South Africa                  |
| <b>ADRA</b>     | Association of Debt Recovery Agents                                     |
| <b>AGA</b>      | Associate General Accountant  |
| <b>AMG</b>      | Assessor and Moderator Grant  |
| <b>APC</b>      | Assessment of Professional Competence                                   |
| <b>ATR</b>      | Annual Training Report  |
| <b>BG</b>       | Bursary Grant   |
| <b>CA</b>       | Chartered Accountant  |
| <b>CA(SA)</b>   | Chartered Accountant  |
| <b>CESM</b>     | Classification of Educational Subject Matter                            |
| <b>CIGFARO</b>  | Chartered Institute of Government Finance, Auditing and Risk Officers   |
| <b>CIMA</b>     | Chartered Institute of Management Accountants                           |
| <b>COVID-19</b> | Corona Virus Disease 2019   |
| <b>CPD</b>      | Continuous Professional Development                                     |
| <b>CSSA</b>     | Chartered Secretaries Southern Africa                                   |
| <b>CTA</b>      | Certificate in the Theory of Accounting                                 |
| <b>DHET</b>     | Department of Higher Education and Training                             |
| <b>EC</b>       | Eastern Cape  |
| <b>ETQA</b>     | Education and Training Quality Assurance                                |
| <b>FASSET</b>   | Finance and Accounting Services Sector Education and Training Authority |
| <b>FS</b>       | Free State  |
| <b>GP</b>       | Gauteng Province  |
| <b>HEMIS</b>    | Higher Education Management Information System                          |
| <b>IACSA</b>    | Institute of Accounting and Commerce                                    |
| <b>ICBA</b>     | Institute of Certified Bookkeepers and Accountants                      |
| <b>ICM</b>      | Institute of Credit Management  |
| <b>ICT</b>      | Information and Communication Technologies                              |
| <b>IIASA</b>    | Institute of Internal Auditors of South Africa                          |
| <b>ILO</b>      | International Labour Organisation                                       |
| <b>ISCO</b>     | International Standard Classification of Occupations                    |
| <b>ITC</b>      | Initial Test of Competence  |
| <b>KZN</b>      | KwaZulu-Natal   |
| <b>LCG</b>      | Learnership Cash Grant  |
| <b>LEG</b>      | Learnership Employment Grant  |
| <b>LP</b>       | Limpopo Province  |
| <b>MP</b>       | Mpumalanga  |
| <b>NC</b>       | Northern Cape   |
| <b>NCS</b>      | New Curriculum Statement  |
| <b>NLEG</b>     | Non-Pivotal Employment Grant  |
| <b>NLPs</b>     | Non-Levy Payers   |
| <b>NLRG</b>     | NSFAS Loan Repayment Grant  |
| <b>NQF</b>      | National Qualifications Framework                                       |
| <b>NSC</b>      | National Senior Certificate   |
| <b>NSFAS</b>    | National Student Financial Aid Scheme                                   |

|                |   |
|----------------|---|
| <b>NW</b>      | North West  |
| <b>OFO</b>     | Organising Framework for Occupations                      |
| <b>PG</b>      | Pivotal Grant   |
| <b>PGDA</b>    | Postgraduate Diploma in Accounting                        |
| <b>PIVOTAL</b> | Professional, Vocational, Technical and Academic Learning |
| <b>RA</b>      | Registered Auditor  |
| <b>SA</b>      | South Africa  |
| <b>SAIBA</b>   | Southern African Institute for Business Accountants       |
| <b>SAICA</b>   | South African Institute for Chartered Accountants         |
| <b>SAIGA</b>   | Southern African Institute of Government Auditors         |
| <b>SAIPA</b>   | South African Institute of Professional Accountants       |
| <b>SAIT</b>    | South African Institute for Tax Practitioners             |
| <b>SARS</b>    | South African Revenue Service                             |
| <b>SCG</b>     | Strategic Cash Grant                                      |
| <b>SCO</b>     | Standard Classification of Occupations                    |
| <b>SDF</b>     | Skills Development Facilitator                            |
| <b>SDL</b>     | Skills Development Levy                                   |
| <b>SETA</b>    | Sector Education and Training Authority                   |
| <b>SIC</b>     | Standard Industrial Classification                        |
| <b>SOC</b>     | Standard Occupational Classification                      |
| <b>TVET</b>    | Technical and Vocational Education and Training           |
| <b>UNISA</b>   | University of South Africa                                |
| <b>WC</b>      | Western Cape  |
| <b>WSP</b>     | Workplace Skills Plan                                     |

## EXECUTIVE SUMMARY

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In 2001 FASSET started collecting and analysing information on its sector. The main purpose of the collection of labour market information is to inform skills planning and funding decisions of the Sector Education and Training Authority (SETA) as well as to monitor transformation in the sector. Information collected from 2000/2001 to 2019/2020 is presented in this report including organisations' participation in the levy-grant system, employment trends and skills shortages. Most of the information is collected through the Mandatory Grant applications submitted by employers to FASSET.

Supply data are collected on elements of the education and training system that have a direct bearing on the supply of skills to the sector. This includes the National Senior Certificate exams, student output from Technical and Vocational Education and Training (TVET) colleges, student output from universities and universities of technology, skills formation in the workplace and trends in professional body membership.

FASSET's sector is demarcated according to the Standard Industrial Classification (SIC) and includes 16 SIC codes. FASSET has grouped these SIC codes into seven subsectors i.e. Investment Entities and Trusts and Company Secretarial Services; Stockbroking and Financial Markets; Development Organisations; Accounting, Bookkeeping, Auditing and Tax Services; Activities Auxiliary to Financial Intermediation; Business and Management Consulting Services; and the South African Revenue Service (SARS) and Government Departments.

The grant system consists of two components: Mandatory Grants and Discretionary Grants. Mandatory grants consist of grants payable upon the submission by organisations of Workplace Skills Plans (WSPs) and Annual Training Reports (ATRs). These grants are mandatory as the SETAs are obliged to pay the grant to organisations that apply and meet the grant requirements. However, SETAs can structure Discretionary Grants in accordance with the industry needs and requirements.

Since the inception of FASSET, the Discretionary Grants have undergone a number of changes. Initially, the Strategic Cash Grant (SCG) was introduced in 2005/2006. All organisations (small, medium and large) were eligible for the SCG, and the criteria was reviewed annually in accordance with industry needs and sector priorities. In 2011/2012, the criteria for the SCG was changed to only be payable in respect of Black African learners and Disabled learners.

During 2012/2013, the SCG was discontinued and the Learnership Cash Grant (LCG) and the PIVOTAL Grant was introduced. Only small organisations (less than 50 employees) were eligible for the SCG, while medium (50-149 employees) and large (150 or more employees) organisations were eligible for the PIVOTAL Grant. The criteria introduced in 2011/2012 were still relevant.

In 2016/2017, the LCG and PIVOTAL Grant was discontinued, and three new grants were introduced, i.e. Learnership Employment Grant (LEG), Bursary Grant (BG) and Non-PIVOTAL Learner Employment Grant (NLEG). All organisations (small, medium and large) are eligible for these grants. In 2017/2018, the criteria for these grants were changed, and at present, all grants are payable in respect of Black African Learners, Disabled Learners, and Coloured African Learners residing and working in the Northern Cape and Western Cape.

FASSET started in 2000/2001 with almost 7 600 levy paying organisations, that paid R22 million in Skills Development Levies (SDL). The levy payers dropped sharply to 3 200 in 2007 when the levy threshold was lifted. However, the levy payers increased again slowly and by 2016/2017, a total of approximately 7 100 organisations paid the SDL and the levy amount for that year totalled R445 million. In 2019/2020 the number of levy payers increased to 8 442 organisations and the levy amount totalled R496 million.

In 2000/2001, 13% of the levy paying organisations participated in the Mandatory Grant system. Participation reached its peak in 2006/2007 with 55% organisations claiming Mandatory Grants. The high percentage was the result of the lifting of the levy threshold to a payroll of R500 000 per year i.e. the number of levy paying organisations dropped while the number of organisations that claimed grants remained more or less unchanged. From 2009/2010 to 2014/2015 the number of organisations that claimed Mandatory Grants dropped but increased again during the 2015/2016 to 2019/2020 period.

Over the total period the organisations that claimed Mandatory Grants paid more than 59% of the total SDL received by FASSET. Over the review period there was always better participation from the medium and larger organisations than from small organisations.

A number of organisations participate in Discretionary Grants. As mentioned earlier, the Discretionary Grants have undergone a number of changes over the years. In 2019/2020, the number of beneficiary learners and pay-outs were recorded as follows:

- **LEG:** 1 924 learners, R 80.5 million
- **BG:** 420 learners, R19.2 million
- **NLEG:** 152 learners, R8.8 million

In 2009/2010 FASSET started the Assessor and Moderator Grant (AMG) for individuals who undertook training to become registered as assessors and / or moderators. The AMG (now discontinued) covered the costs of training and the assessment of individuals against certain unit standards. From 2010/2011 to 2013/2014 (the last year of the AMG) a total of R951 740 was paid to 309 participants.

The National Student Financial Aid Scheme (NSFAS) Loan Repayment Grant (NLRG) was introduced in 2012/2013 to ensure the retention of learners on learnerships with FASSET employers. The NLRG is meant to relieve African Black learners and people with disabilities from the debt burden so that they can continue and complete their learnerships. In 2019/2020 a total number of 386 beneficiaries benefitted from R15.3 million grants paid out. Most of the beneficiaries were enrolled for the Chartered Accountant Auditing learnership.

Since 2000/2001 total employment increased annually from 82 811 to 165 053 in 2019/2020 at an average annual growth rate (AAG) of 4%. Gauteng remains the province with the largest share of employment since 2000/2001. The Western Cape has the second largest share, followed by KwaZulu-Natal. The subsector Accounting, Bookkeeping, Auditing and Tax services, has the largest number of employees in the sector (37%).

From 2000/2001 to 2019/2020, the employment profile of the sector changed from predominantly white to predominantly Black<sup>1</sup>. In 2000/2001 Black employees constituted 40% of the employees in the sector and by 2019/2020 this figure had increased to 66%.

FASSET's sector has historically been female-dominated. In 2000/2001 54% of the workers in the sector were female and by 2016/2017 this figure had increased to 58% before decreasing to 55% in 2016/2017. In 2019/2020 females represented 55% of workers the sector.

From 2011/2012, the demand for managers and professionals were higher than for occupation groups such as technicians and associate professionals, clerical support workers and elementary occupations.

The majority of employees in the sector are employed as managers, professionals, technicians and associated professionals and clerical support workers. Professionals are the largest occupation group in the sector. In 2019/2020 professionals constituted 34% of total employment.

Professional body membership is highly regarded in the FASSET sector and the majority of professionals belong to a professional body. The South African Institute of Chartered Accountants (SAICA) is the professional body with the largest membership in the sector and Chartered Accountants CA(SA)s are generally sought after in the market. In 2020, 32 % of SAICA's members were black and 39% were female, indicating that the development of black professionals within the sector is still a challenge. **SAICA also makes provision for trainee membership and in 2019 % of its trainees were black and % were female.**

This report notes that the Association for Accounting Technicians South Africa AAT(SA) and The South African Institute of Chartered Accountants (SAICA) are one body, however, they report separately in terms of the

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<sup>1</sup> Including African, Indian/Asian and coloured people.



statistics. AAT(SA) report on data concerning Accounting Technicians while SAICA specifically report on Chartered Accountants CA(SA) and Associate General Accountant (AGA).

In terms of membership numbers, SAIPA appears to be the professional body with the second largest full membership whilst CIMA has the largest student trainee membership as reported. In terms of reporting on student trainee membership.

Various training options are available to those who are interested in a career in the sector. Grade 12 Mathematics is a prerequisite for tertiary studies in most of the study fields relevant to the sector. From 2008 to 2020 the number of matriculants who wrote Grade 12 Mathematics (new curriculum) and achieved a 40% or more pass, with variation throughout the 10-year period, increased.

In 2019 the Department of Basic Education changed the reporting criteria per subject from above 40% to above 30%. This resulted in a challenge with comparatively looking at and analysing the achievement over a period of time. The Department has however since 2015 commenced with reporting on enrolment per subject. The purpose of this was to measure enrolment over a period of time.

In 2020, 440 702 learners achieved Grade 12, this is 76% of those who wrote the exams for National Senior Certificate (NSC) qualification. Since 2015, there has been a steady decrease in the number of learners enrolled for and achieved Mathematics and Accounting as entry level programmes. In 2020, it is recorded that 233 315 learners enrolled for Mathematics, while only 82 964 achieved it at 30% and more. Similarly, 92 767 learners wrote Accounting in 2020, and only 49 103 are recorded to have achieved with 30% and more. This indicates towards the narrowing of the pipeline of new entrants into Accounting and related fields.

Statistics on under-graduate and post-graduate qualifications in the broad study fields "Accounting" and "Other business and commerce" were obtained from the Department of Higher Education and Training's (DHET) Higher Education Management Information System (HEMIS) database. Two types of qualifications were relevant at National Qualifications Framework (NQF) Level 8: postgraduate diplomas and honours degrees. From 2001 to 2019, both qualifications showed an increase in numbers although not to the same extent as first degrees.

The completion of a SAICA accredited postgraduate Certificate in the Postgraduate Diploma in Accounting (PGDA) programme or equivalent on NQF level 8 is needed for access to the first of two of SAICA's qualifying examinations. Until 2014, less than half of the students who enrolled for the PGDA completed the qualification successfully. From 2002 to 2015, the number of enrolments decreased but the total pass rate increased to 51%. A large increase in enrolments was observed in 2016. The increase in the PGDA enrolments is due to the increase of enrolments at UNISA into the PGDA level 2 programme in 2016.

From 2001 to 2020, SAICA's ITC (Part I) and APC (Part II) exams showed increases in the number of enrolments. The ITC exam showed an increase in African and female enrolments and passes. In 2020, Whites had the most success in the ITC exam and female passes exceeded male passes.

Since its introduction, the APC candidate enrolments have steadily increased. In 2019, the highest number of candidates to date enrolled in the APC examinations. i.e. 3 560 candidates. In terms of achievements, only 2 024 (57%) achieved a pass. This the lowest achievement since the 2014 and a 12% decreased from 2018-2019

Of all FASSET's learnerships, the Chartered Accountant: Auditing learnership had the highest number of successful completions since 2000/2001. Of total learnership enrolments, 53 213 were successfully completed, while the completion rate for the Chartered Accountant: Auditing learnership was 71%.

FASSET's lifelong learning training events are skills development initiatives to assist smaller employers in the sector to keep up-to-date with sector developments. From 2006/2007 to 2019/2020, FASSET offered 196 870 learning opportunities to people in the financial sector.

Most of the skills shortages (or scarce skills) reported in the sector related to a lack of professional financial skills such as accountants, external auditors and financial investment advisors. Graduate trainees who had completed their PGDA (NQF level 8), especially African and disabled candidates were specifically in short supply.

In conclusion, FASSET progressed in many aspects since its establishment in March 2000. Over the nineteen-year review period the Seta experienced growth in levy income, which is related to growth in employment. At the same time the sector transformed from being predominantly white to being predominantly black<sup>2</sup>.

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<sup>2</sup> African, coloured and Indian.

# 1 INTRODUCTION

FASSET is the Sector Education and Training Authority (SETA) for the Finance and Accounting Services Sector. The organisation was established in March 2000 in terms of the Skills Development Act (Act 97 of 1998). In 2001 FASSET started collecting and analysing information on its sector and has continued doing so ever since. The reason for the collection of labour market information is to inform skills planning and funding decisions of the SETA. The information also serves to monitor transformation in the sector.

The purpose of this report is to combine and analyse information collected over the years in order to present an overall picture of what has happened in the FASSET sector over the period 2000/2001 to 2019/2020 in terms of employers' participation in the levy-grant system, employment trends and skills shortages. Most of the information is collected through the annual Mandatory Grant applications submitted by employers to FASSET.

In addition, FASSET has also been monitoring the supply side of the labour market. The key elements of the education and training system that have a direct bearing on the supply of skills to the sector are the National Senior Certificate exams, student output from Technical and Vocational Education and Training (TVET) colleges, student output from universities and universities of technology, skills formation in the workplace and trends in professional body membership. This information is also presented in this report.

Where possible, information is given for the entire period from 2000/2001 to 2019/2020. However, some of the indicators used cannot be given for the whole period because of changes in the grant system or because of changes in the grant application formats. In these instances, only the most recent years are provided.

In addition to the above, **during 2020 the global COVID-19 pandemic occurred**, forcing most organisations to halt normal operations in order to adhere to nation-wide lockdown regulations. This meant that most organisations and institutions had to find alternative ways of operating (such as remote working or short-timing). **As a result, a lot of mandatory reporting, submissions and publications that inform this document, was delayed.**

It should further be highlighted that **the effects of COVID-19 may not be immediately apparent in the figures and trends report in this document**, as reporting of FASSET data is only done up until the end of the 2020 financial year (i.e. 31 March 2020), whereas the national lockdown only took effect from 27 March 2020.

The Mandatory Grant applications represent only a certain percentage of the employees in the sector and the percentage varies from year to year as grant submission rates vary. In order to compensate for employees not represented in the Mandatory Grant applications and for variations in submission rates, the employment profile data received in every year was weighted and, in this way, extrapolated to sectoral totals. This was done by using the levy amount paid as a proxy for employment. Weighting was done separately for each of the subsectors, because of wage differentials that occur between subsectors. Annexure A provides more detail about the weighting process and the weights applied to the data.

FASSET's sector is demarcated according to the Standard Industrial Classification (SIC), an economic classification system that is used in the National Accounts and in several of Statistics South Africa's surveys. The sector includes 16 SIC codes at the five-digit level. To simplify the analysis FASSET has grouped the SIC codes into seven subsectors. The SIC codes, the economic activities that they represent and the clustering of SIC codes into subsectors are depicted in Table 1-1.

**Table 1-1 Subsector demarcation**

| SIC Code                                      | SIC Description   | Subsector   |
|---|---|---|
| 81904<br>88103                                | Investment Entities & Trusts<br>Company Secretary Services  | Investment Entities & Trusts & Company Secretary Services |
| 83110<br>83120<br>83121<br>88102              | Administration of Financial Markets<br>Security-dealing Activities<br>Stockbroking<br>Asset Portfolio Management  | Stockbroking & Financial Markets                          |
| 83180   | Development Corporations & Organisations  | Development Organisations                                 |
| 88101<br>88120<br>88121<br><br>88122<br>88123 | Tax Services<br>Accounting, Bookkeeping & Auditing Activities<br>Tax Consultancy Activities of Accountants & Auditors registered in terms of the Public Accountants & Auditors Act<br>Activities of Cost & Management Accountants<br>Bookkeeping Activities, including Relevant Data Processing & Tabulating Activities | Accounting, Bookkeeping, Auditing & Tax Services          |
| 83190   | Activities Auxiliary to Financial Intermediation  | Activities Auxiliary to Financial Intermediation          |
| 88140   | Business & Management Consulting Services   | Business & Management Consulting Services                 |
| 91108<br>9110E                                | South African Revenue Service (SARS)<br>National Treasury<br>Provincial Treasuries  | SARS & Government Departments                             |

The remainder of this report is structured as follows:

- **Chapter 2** of this report focuses on organisations in the sectors' participation in the levy-grant system. Participation in the system has two sides: on the hand it refers to the payment of the SDL and on the other it refers to the claiming of grants – both mandatory and Discretionary Grants.
- **Chapter 3** provides a profile of the sector.
- **Chapter 4** discuss trends in education and training relevant to the sector.
- **Chapter 5** deals with skills shortages (also known as scarce skills) in the sector.
- **Chapter 6** provides some of the key conclusions emanating from this trend analysis.

## 2 PARTICIPATION IN THE LEVY-GRANT SYSTEM

### 2.1 INTRODUCTION

In this chapter the participation of organisations in the levy-grant system administered by FASSET from the financial year 2000/2001 to 2019/2020 is analysed.

The diagram below illustrates FASSET's funding structure, based on the levy-grant system, as stipulated in the SETA Grant Regulations, 2012.

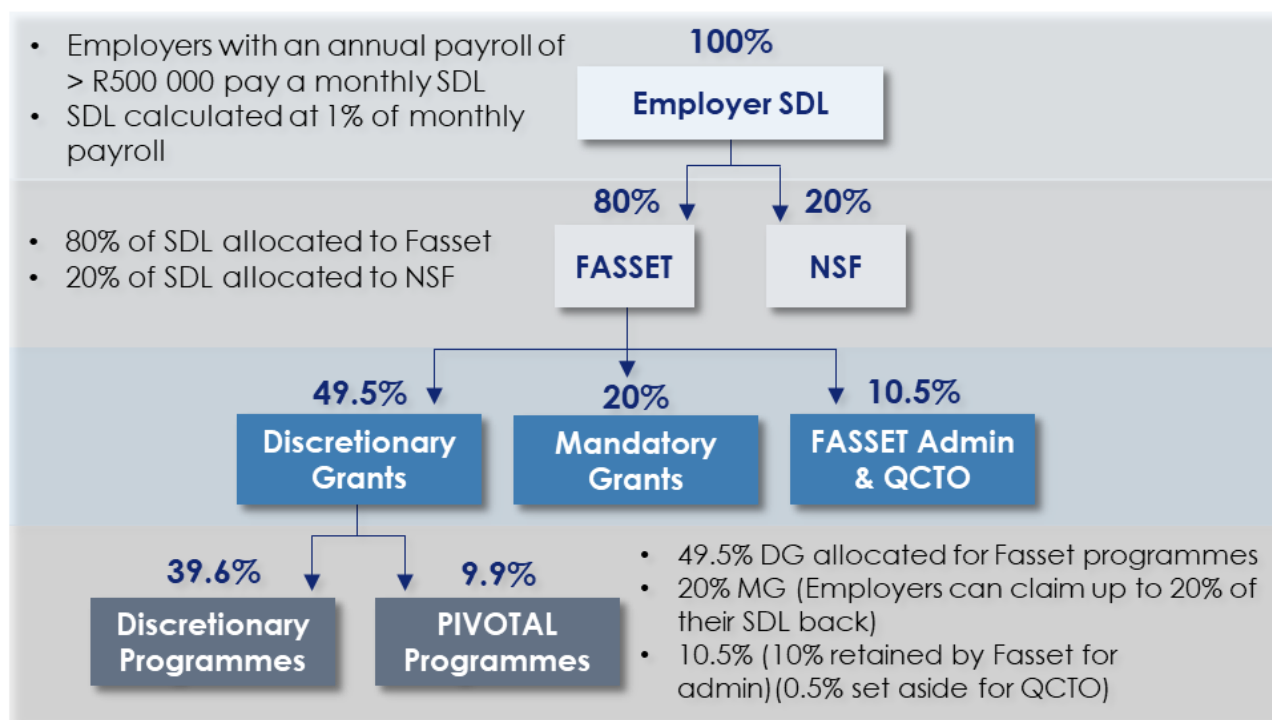


Figure 2-1: FASSET's funding structure

As the name suggests the system consists of two components:

1. the **income side** (for the SETAs) consisting of the **skills development levy** (SDL) paid by organisations in the sector
2. the **grant side** consisting of **moneys paid to organisations** that claim back portions of their SDL by **applying for the grants** offered by the SETA.

Levy-paying organisations include all organisations that fall within the levy threshold and consequently pay the SDL to FASSET. The levy threshold refers to a threshold set by Government from time to time to determine which organisations are obliged to pay the SDL and which organisations are exempt. In the 2000/2001 financial year the SDL was phased in and employers only had to pay 0.5% of their total payrolls. From 2001/2002 onwards the full 1% levy was payable.

The grant system consists of two components: Mandatory Grants and Discretionary Grants:

- **Mandatory Grants** consist of grants payable upon the submission by organisations of WSPs and ATRs. These grants are mandatory in the sense that the SETAs are obliged to pay the grant to organisations that apply and meet the grant requirements irrespective of the skills development areas for which the organisations utilise the grant moneys.
- Contrary to Mandatory Grants, SETAs can structure **Discretionary Grants** to suit the specific needs of their sectors.

The levy-grant system underwent a few major changes over the years. The most important of these are the following:

- When the levy-grant system was introduced in 2000/2001, the threshold was set at R250 000 per year. That means that all organisations with a total payroll of R250 000 per year or more had to pay the SDL. In 2006 this amount was raised to R500 000 per year. The threshold is set in nominal terms and apart from the once-off change, it has never been adjusted for inflation.
- In the first years of the system the WSP and ATR grants were two separate grants. However, in 2005 they were consolidated and became a single Mandatory Grant.
- From the beginning of the system up to 2013 organisations could claim back 50% of their SDL through the Mandatory Grants. On 3 December 2012 new funding regulations were promulgated with implementation starting on 1 April 2013. The new regulations lowered the amount available for Mandatory Grants to 20%.

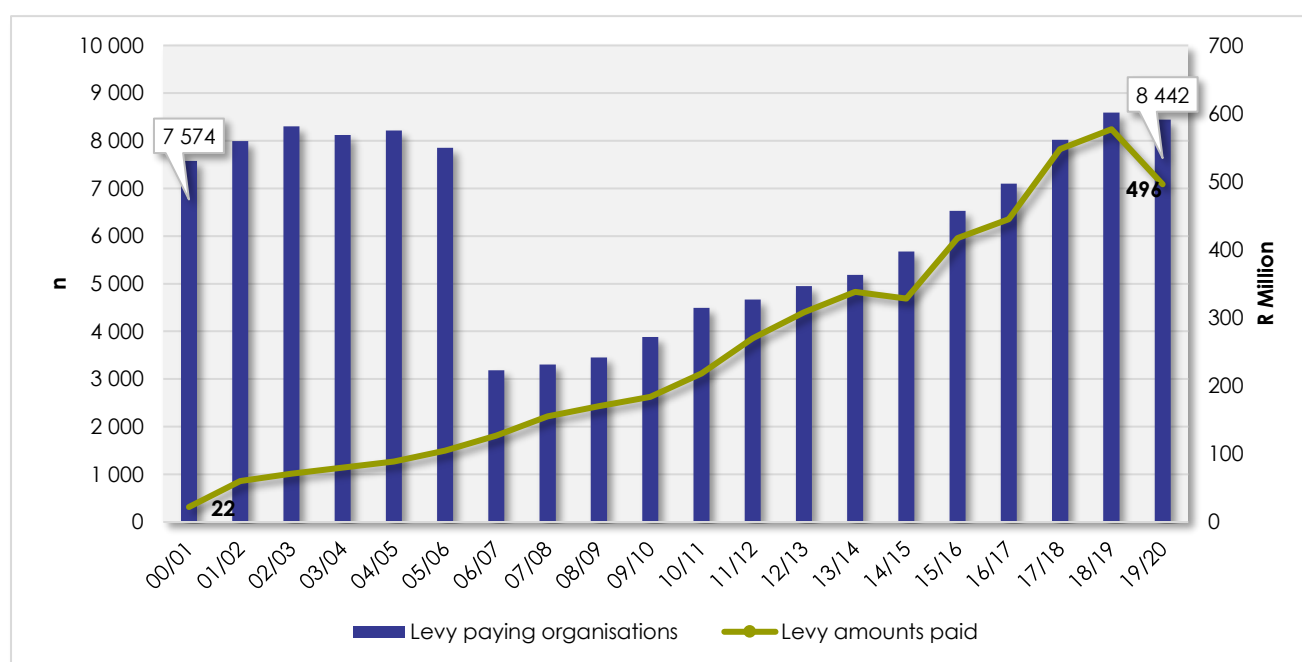
All these changes had an effect on the total grant system and on organisations' participation in the system. Chapter 2 is divided into three sections: The first deals with levy paying organisations and levy payments, the second focuses on the claiming of Mandatory Grants and the third section deals with the claiming of Discretionary Grants.

Participation in the grant system is viewed from different perspectives: the total amounts available for and paid in respect of grants; participation in the specific grants; participation of organisations from different size categories; and participation of organisations in the different subsectors.

## 2.2 LEVY PAYING ORGANISATIONS

FASSET started in 2000/2001 with almost 7 600 levy paying organisations (Figure 2-2). This number increased slightly in the following year and stayed in the region of 8 000 up to 2005/2006. In 2006/2007 when the levy threshold was lifted to a payroll of R500 000 per annum, the number of levy paying organisations dropped by almost 5 000 organisations. That means that the sector includes a very large number of small organisations and one-person practices that, at that time, had salary bills between R250 000 and R500 000. The fact that these organisations still exist in the sector is evident from the numbers from 2006/2007 and onwards. Because the levy threshold was not adjusted for inflation, the small organisations systematically crept back into the levy-payer group. In the 2016/2017 financial year the number of levy payers was only 473 short of the original number with which FASSET started in 2000/2001. The number of levy payers increased to 8 442 in the 2019/2020 financial year.

The levy amounts depicted in Figure 2-2 are nominal values and as could be expected, it increased steadily over the nineteen-year period under review.



**Figure 2-2: Number of levy paying organisations and levy amounts paid: 2000/01–2019/20**

## 2.3 PARTICIPATION IN THE MANDATORY GRANT SYSTEM

The extent to which organisations in FASSET's sector participated in the Mandatory Grant system is illustrated in Table 2-1. ***It should be noted that the information contained in this table were not affected by the COVID-19 pandemic, as data reported were for the financial year 1 April 2019 to 31 March 2020*** (despite the submission dates for the Mandatory Grant extended to 31 May 2020 due to the impacts of the pandemic on the ability of organisations to submit on time).

In Table 2-1, column A indicates the total number of levy-paying organisations in each year and column B the total levy amount paid by all these organisations. Column C indicates the number of organisations that participated in the Mandatory Grant system while Column D expresses the number of organisations that claimed Mandatory Grants as a percentage of the levy paying organisations in that year. Column E indicates the total levy amounts paid by the organisations that claimed Mandatory Grants and Column F expresses their levy amount as a percentage of the total levy amounts paid to FASSET in that year. It is this last column that is the most important because it indicates to what extent the organisations that claimed Mandatory Grants (and therefore submitted employment profiles to FASSET) represent the workforce in the sector.

In 2000/2001 only 13% of the levy paying organisations participated in the Mandatory Grant system. This increased to 22% in 2001/2002. From 2001/2002 to 2005/2006 the participation rates increased marginally. In 2006/2007 the participation rate spiked to 55%. However, this was the result of the lifting of the levy threshold and the fact that the number of levy-paying organisations dropped to just more than 3 000 while the number of organisations that claimed Mandatory Grants remained more or less the same. In 2006/2007 to 2008/2009 the number of organisations that claimed and the participation rates levelled off. But from 2009/2010 to 2014/2015 the actual number of organisations that claimed as well as the participation rates dropped. Between 2015/2016 and 2019/2020 the number of organisations that claimed Mandatory Grants increased although the participation rate dropped somewhat.

Through all the years since 2001/2002 the organisations that claimed Mandatory Grants paid more than 59% of the total SDL received by FASSET. It therefore stands to reason that they represented more than 59% of the employees in the sector. In some of the years this percentage went up to 84% or 85%. In the last nine years the percentage dropped from 78% to 59%. Despite this drop these organisations still contributed more than two thirds of the total levy and most probably employ about two thirds of the workers in the sector.

**Table 2-1 Levy paying organisations and organisations that claimed Mandatory Grants: 2000/01-2018/19**

| Year      | Levy-paying organisations |                     | Organisations that claimed Mandatory Grants |                  |                   |             |
|-----------|---------------------------|---------------------|---|------------------|-------------------|-------------|
|           | A                         | B                   | C   | D                | E                 | F           |
|           | Number of organisations   | R (mil) levies paid | N   | % of levy payers | Levies paid R mil | % of levies |
| 2000/2001 | 7 574                     | 22                  | 985   | 13               | 12                | 53          |
| 2001/2002 | 7 992                     | 60                  | 1 778                                       | 22               | 40                | 66          |
| 2002/2003 | 8 303                     | 71                  | 2 024                                       | 24               | 48                | 67          |
| 2003/2004 | 8 123                     | 80                  | 2 253                                       | 28               | 59                | 74          |
| 2004/2005 | 8 218                     | 89                  | 2 453                                       | 30               | 66                | 75          |
| 2005/2006 | 7 853                     | 105                 | 2 077                                       | 26               | 79                | 75          |
| 2006/2007 | 3 184                     | 127                 | 1 754                                       | 55               | 107               | 84          |
| 2007/2008 | 3 306                     | 155                 | 1 746                                       | 53               | 129               | 84          |
| 2008/2009 | 3 453                     | 170                 | 1 790                                       | 52               | 144               | 85          |
| 2009/2010 | 3 879                     | 184                 | 1 415                                       | 36               | 150               | 81          |
| 2010/2011 | 4 492                     | 218                 | 1 084                                       | 24               | 162               | 74          |
| 2011/2012 | 4 666                     | 270                 | 990   | 21               | 211               | 78          |
| 2012/2013 | 4 947                     | 308                 | 995   | 20               | 215               | 70          |
| 2013/2014 | 5 185                     | 338                 | 909   | 18               | 241               | 71          |
| 2014/2015 | 5 676                     | 328                 | 900   | 16               | 221               | 67          |
| 2015/2016 | 6 529                     | 417                 | 1 001                                       | 15               | 275               | 66          |

| Year      | Levy-paying organisations |                     | Organisations that claimed Mandatory Grants |                  |                   |             |
|-----------|---------------------------|---------------------|---|------------------|-------------------|-------------|
|           | A                         | B                   | C   | D                | E                 | F           |
|           | Number of organisations   | R (mil) levies paid | N   | % of levy payers | Levies paid R mil | % of levies |
| 2016/2017 | 7 101                     | 445                 | 1 058                                       | 15               | 296               | 66          |
| 2017/2018 | 8 019                     | 548                 | 1 113                                       | 14               | 343               | 63          |
| 2018/2019 | 8 589                     | 577                 | 1 088                                       | 13               | 347               | 60          |
| 2019/2020 | 8 442                     | 496                 | 1 129                                       | 13               | 294               | 59          |

Source: FASSET data system 2020.

Table 2-2 provides detailed information on levy paying organisations and organisations that participated in the Mandatory Grants between 2000/2001 and 2019/2020. In this table organisations are grouped according to the levy amounts paid in a particular year. Small organisations are those that paid less than R10 000. Medium sized organisations are those that paid between R10 000 and R99 999. Large organisations are those that paid R100 000 or more.

The table also includes information on the number of organisations in each size category that submitted Mandatory Grant applications in that year and the levy amounts paid by them. The table illustrates the fact that there was throughout all the years much better participation from the medium and large organisations than from the small ones.



**Table 2-2 Levy paying organisations and organisations that claimed Mandatory Grants according to levy size: 2000/01 – 2019/20**

| Year  | Size of Levies* |         |                    |         |             |         |                    |         |             |         |                    |         |             |         |                    |         |                  |             |
|-------|-----------------|---------|--------------------|---------|-------------|---------|--------------------|---------|-------------|---------|--------------------|---------|-------------|---------|--------------------|---------|------------------|-------------|
|       | Small           |         |                    |         | Medium      |         |                    |         | Large       |         |                    |         | Total       |         |                    |         |                  |             |
|       | Levy payers     |         | Grant participants |         | Levy payers |         | Grant Participants |         | Levy payers |         | Grant participants |         | Levy payers |         | Grant participants |         |                  |             |
|       | N               | R (Mil) | N                  | R (Mil) | N           | R (Mil) | N                  | R (Mil) | N           | R (Mil) | N                  | R (Mil) | N           | R (Mil) | N                  | R (Mil) | % of Levy payers | % of levies |
| 00/01 | 7 341           | 6.0     | 883                | 1.2     | 203         | 5.3     | 78                 | 2.4     | 30          | 10.2    | 24                 | 7.9     | 7 574       | 21.5    | 985                | 11.5    | 13               | 53          |
| 01/02 | 7 377           | 10.7    | 1 484              | 3.3     | 541         | 14.3    | 241                | 6.9     | 74          | 35.5    | 53                 | 29.8    | 7 992       | 60.5    | 1 778              | 40.0    | 22               | 66          |
| 02/03 | 7 579           | 11.8    | 1 661              | 4.3     | 632         | 17.1    | 302                | 8.2     | 92          | 42.6    | 61                 | 35.7    | 8 303       | 71.4    | 2 024              | 48.2    | 24               | 67          |
| 03/04 | 7 360           | 13.2    | 1 850              | 5.2     | 665         | 17.2    | 323                | 8.3     | 98          | 49.1    | 80                 | 45.3    | 8 123       | 79.6    | 2 253              | 58.8    | 28               | 74          |
| 04/05 | 7 374           | 14.3    | 1 976              | 5.5     | 743         | 19.4    | 399                | 10.6    | 101         | 55.2    | 78                 | 50.1    | 8 218       | 88.9    | 2 453              | 66.3    | 30               | 75          |
| 05/06 | 6 888           | 11.4    | 1 494              | 4.9     | 834         | 21.6    | 482                | 12.5    | 131         | 72.4    | 101                | 61.1    | 7 853       | 105.5   | 2 077              | 78.6    | 26               | 75          |
| 06/07 | 2 038           | 8.8     | 972                | 5.1     | 990         | 26.5    | 664                | 18.0    | 156         | 92.0    | 118                | 83.7    | 3 184       | 127.4   | 1 754              | 106.8   | 55               | 84          |
| 07/08 | 1 969           | 8.7     | 848                | 4.8     | 1 149       | 31.9    | 755                | 21.9    | 188         | 114.0   | 143                | 102.7   | 3 306       | 154.5   | 1 746              | 129.5   | 53               | 84          |
| 08/09 | 1 973           | 7.9     | 779                | 4.5     | 1 274       | 35.8    | 851                | 24.9    | 206         | 126.3   | 160                | 114.4   | 3 453       | 170.0   | 1 790              | 143.7   | 52               | 85          |
| 09/10 | 2 308           | 8.8     | 496                | 2.8     | 1 348       | 36.5    | 739                | 22.0    | 223         | 138.6   | 180                | 125.0   | 3 879       | 183.9   | 1 415              | 149.8   | 36               | 81          |
| 10/11 | 2 744           | 10.9    | 319                | 1.9     | 1 510       | 40.9    | 582                | 18.6    | 238         | 166.6   | 183                | 141.2   | 4 492       | 218.3   | 1 084              | 161.7   | 24               | 74          |
| 11/12 | 2 777           | 10.9    | 240                | 1.5     | 1 627       | 44.3    | 562                | 18.2    | 262         | 214.5   | 188                | 191.6   | 4 666       | 269.8   | 990                | 211.3   | 21               | 78          |
| 12/13 | 2 792           | 12.2    | 223                | 1.4     | 1 862       | 51.3    | 578                | 18.7    | 293         | 244.6   | 194                | 195.0   | 4 947       | 308.0   | 995                | 215.1   | 20               | 70          |
| 13/14 | 2 831           | 12.6    | 184                | 1.2     | 2 040       | 57.5    | 539                | 18.8    | 314         | 267.8   | 186                | 220.6   | 5 185       | 337.8   | 909                | 240.5   | 18               | 71          |
| 14/15 | 3 065           | 13.8    | 153                | 1.0     | 2 279       | 64.2    | 546                | 19.1    | 332         | 249.7   | 201                | 200.9   | 5 676       | 327.7   | 900                | 220.9   | 16               | 67          |
| 15/16 | 3 146           | 14.5    | 149                | 1       | 2 947       | 85.6    | 584                | 21.5    | 436         | 316.6   | 268                | 252.2   | 6 529       | 416.7   | 1 001              | 274.5   | 15               | 66          |
| 16/17 | 3 484           | 16.5    | 194                | 0.9     | 3 149       | 92.4    | 579                | 22.3    | 468         | 336.2   | 285                | 272.3   | 7 101       | 445.1   | 1 058              | 295.5   | 15               | 66          |
| 17/18 | 3 799           | 22.4    | 132                | 1.1     | 3 678       | 136.7   | 662                | 33.4    | 542         | 388.7   | 319                | 308.2   | 8 019       | 548.1   | 1 113              | 342.6   | 14               | 63          |
| 18/19 | 3 915           | 23.5    | 118                | 0.9     | 4 048       | 151.5   | 646                | 33.0    | 626         | 402.5   | 324                | 314.5   | 8 589       | 577.4   | 1 088              | 348.4   | 13               | 60          |
| 19/20 | 4 057           | 24.6    | 152                | 1.1     | 3 845       | 141.8   | 673                | 33.8    | 540         | 329.7   | 304                | 260.0   | 8 442       | 496.1   | 1 129              | 294.9   | 13               | 59          |

\*Small: Less than R10 000; Medium: R10 000 to R99 999; Large: R100 000 and more. Source: FASSET data system 2020.

Table 2-3 indicates the participation of organisations in the Mandatory Grants according to the employment size of the organisation. From 2001/2002 to 2008/2009 participation increased considerably, largely due to an increase in the participation of small organisations. In 2008/2009 participation reached a peak with 1 790 organisations claiming Mandatory Grants. The number of small organisations (49 and less employees) that submitted Mandatory Grant applications remained quite high from 2001/2002 to 2009/2010, followed by a substantial drop in 2010/2011. Since then the participation gradually decreased before increasing to 937 organisations in 2016/2017. In 2019/2020, approximately 896 small organisations claimed Mandatory Grants. The number of medium and large organisations showed an average annual increase of 4% respectively.

From 2000/2001 to 2019/2020 the total levy contributions (nominal value) from the organisations that claimed Mandatory Grants increased from R11.5 million to R294.9 million at an average annual rate of nearly 19% (Table 2-3).

**Table 2-3 Organisations that claimed Mandatory Grants according to employment size: 2000/01 – 2019/20**

| Year      | Employment size |         |        |         |       |         | Total |         |
|-----------|-----------------|---------|--------|---------|-------|---------|-------|---------|
|           | Small           |         | Medium |         | Large |         |       |         |
|           | N               | R (Mil) | N      | R (Mil) | N     | R (Mil) | N     | R (Mil) |
| 2000/2001 | 825             | 1.7     | 61     | 1.7     | 44    | 8.1     | 930   | 11.5    |
| 2001/2002 | 1 661           | 8.9     | 81     | 8.1     | 36    | 23.0    | 1 778 | 40.0    |
| 2002/2003 | 1 919           | 13.0    | 69     | 7.6     | 36    | 27.6    | 2 024 | 48.2    |
| 2003/2004 | 2 144           | 15.3    | 73     | 9.9     | 36    | 33.6    | 2 253 | 58.8    |
| 2004/2005 | 2 346           | 17.8    | 65     | 10.8    | 42    | 37.7    | 2 453 | 66.3    |
| 2005/2006 | 1 942           | 21.0    | 89     | 11.9    | 46    | 45.7    | 2 077 | 78.6    |
| 2006/2007 | 1 557           | 25.4    | 133    | 17.2    | 64    | 64.2    | 1 754 | 106.8   |
| 2007/2008 | 1 547           | 31.6    | 140    | 22.1    | 59    | 75.8    | 1 746 | 129.5   |
| 2008/2009 | 1 581           | 33.6    | 141    | 28.6    | 68    | 81.6    | 1 790 | 143.7   |
| 2009/2010 | 1 187           | 28.4    | 154    | 29.5    | 74    | 92.0    | 1 415 | 149.8   |
| 2010/2011 | 887             | 28.3    | 125    | 24.3    | 72    | 109.1   | 1 084 | 161.7   |
| 2011/2012 | 813             | 36.7    | 117    | 31.0    | 60    | 143.6   | 990   | 211.3   |
| 2012/2013 | 831             | 34.5    | 101    | 25.4    | 63    | 155.3   | 995   | 215.1   |
| 2013/2014 | 751             | 37.9    | 99     | 24.6    | 59    | 178.0   | 909   | 240.5   |
| 2014/2015 | 733             | 36.9    | 100    | 24.7    | 67    | 159.3   | 900   | 220.9   |
| 2015/2016 | 788             | 52.8    | 134    | 40.2    | 79    | 181.5   | 1 001 | 274.5   |
| 2016/2017 | 937             | 54      | 134    | 40.4    | 87    | 200.6   | 1 158 | 295.5   |
| 2017/2018 | 887             | 78.6    | 143    | 54.3    | 83    | 209.7   | 1 113 | 342.6   |
| 2018/2019 | 870             | 80.6    | 135    | 47.4    | 83    | 220.4   | 1 088 | 348.4   |
| 2019/2020 | 896             | 69.1    | 138    | 39.9    | 95    | 185.9   | 1 129 | 294.9   |
| AAG (%)   | 0.4             |         | 4      |         | 4     |         | 1     |         |

\*Small: Fewer than 50 employees; Medium: 50 to 149 employees; Large: 150 & more employees.

Source: FASSET data system 2020.

## 2.4 PARTICIPATION IN THE DISCRETIONARY GRANTS

The FASSET Discretionary Grants programmes have undergone a number of changes since FASSET's inception. This relates to both the type of grants as well as eligibility criteria for these grants. The following diagram depicts the different Discretionary Grants over time:



Figure 2-3: Discretionary Grant evolution

### 2.4.1 Strategic Cash Grant (SCG)

From 2005/2006 to 2012/2013 organisations registered with FASSET could claim back 30% of their levies through the Strategic Cash Grant (SCG).

Specific areas were determined to be of strategic importance to FASSET's sector and the SCG was allocated to initiatives that cover these strategic areas. The criteria for the SCG changed annually, depending on the priorities of the sector at that time.

Over the years only a small number of medium and large organisations claimed this grant. The last year of the SCG was 2012/2013 (1 April 2012-31 March 2013). The SCG was replaced with the PIVOTAL Grant in 2013/2014 for medium and large organisations.

**Table 2-4 SCG: Participating organisations and pay-outs, 2005/06 – 2012/13**

| Year         | Organisations | Amount paid  |
|--------------|---------------|--------------|
|              | N             | Rand (Mil)   |
| 2005/2006    | 44            | 22.3         |
| 2006/2007    | 30            | 9.5          |
| 2007/2008    | 45            | 8.4          |
| 2008/2009    | 37            | 14.9         |
| 2009/2010    | 47            | 13.0         |
| 2010/2011    | 37            | 16.3         |
| 2011/2012    | 31            | 18.1         |
| 2012/2013    | 41            | 17.1         |
| <b>Total</b> |               | <b>119.5</b> |

Source: FASSET data system 2015.

## 2.4.2 Learnership Cash Grant (LCG) and the Learnership Employment Grant (LEG)

The Learnership Cash Grant (LCG), which was discontinued in 2016/2017, paid for specific learners enrolled on learnerships in the sector. The grant was only available to small organisations (fewer than 50 employees) in the sector. In 2012/2013, the LCG criteria was adjusted and it was only payable in respect of Black African learners. Over the years only a small number of employers claimed these grants. Since 2011/2012, when the grants were limited to Black African learners, the number of learners for whom the LCG was claimed dropped dramatically.

**Table 2-5 LCG/LEG: Participating organisations, learners and pay-outs, 2007/08 – 2019/20 (small organisations)**

| Year         | Organisations | Learners | Amount paid  |
|--------------|---------------|----------|--------------|
|              | N             | N        | Rand (Mil)   |
| 2007/2008    | 145           | 409      | 11.0         |
| 2008/2009    | 214           | 643      | 17.1         |
| 2009/2010    | 217           | 576      | 14.6         |
| 2010/2011    | 165           | 500      | 6.5          |
| 2011/2012    | 112           | 269      | 3.2          |
| 2012/2013    | 101           | 209      | 4.1          |
| 2013/2014    | 74            | 174      | 3.5          |
| 2014/2015    | 89            | 256      | 4.9          |
| 2015/2016    | 88            | 253      | 4.9          |
| *2016/2017   | 41            | 134      | 4            |
| 2017/2018    | 92            | 1 063    | 31.5         |
| 2018/2019    | 127           | 276      | 11.3         |
| 2019/2020    | 83            | 326      | 13.7         |
| <b>Total</b> |               |          | <b>130.3</b> |

\*The LCG Grant was replaced by the Learner Employment Grant (LEG) in 2016/2017.

Source: FASSET data system 2020.

During 2016/2017, after the LCG was discontinued, it was replaced by the Learner Employment Grant (LEG). While all organisation (small, medium and large) are eligible for the Grant, Table 2-5 above only include small companies that participated in the LEG, for continuity in reporting.

The LCG, as well as the LEG, was only available to all Black African learners and Disabled learners. After the introduction of the LEG, the criteria were changed in 2017/2018 to also include Coloured African learners residing and employed in the Northern Cape (NC) and Western Cape (WC). This change explains the large uptake in the number of learners from 2016/2017 to 2017/2018.

The data for 2019/20 shows the number of approved grant claims for all small companies (0-49 employees) who meet the requirements (this includes Non-Levy Payers (NLP) with an annual payroll of less than R500 000 as well as

levy payers with an annual payroll of R500 000 or more). A total of 83 small organisations participated, with 326 learners benefitting.

### 2.4.3 PIVOTAL Grants and LEG

In 2012/2013 the PIVOTAL Grant (a new Discretionary Grant) was introduced to replace the SCG for medium and large organisations (only medium and large organisations were eligible for the PIVOTAL Grant). The grant was capped at 49.5% of the SDL, and only payable in respect of Black African learners and Disabled learners. **This grant was discontinued in 2016/2017.**

Companies could claim for the following PIVOTAL programmes:

- Specific learners who have registered on or completed learnerships
- Academic and professional study to specific employed and unemployed learners who have successfully completed a course of study at recognised institutions or professional bodies.
- Quality-Assured and Structured Workplace Experience where specific learners entered or completed full-time, on-the-job training (excluding learnerships).

**Table 2-6 PIVOTAL Grant: Participants and pay-outs 2013/14 – 2014/15**

| Year      | Organisations | Learners | Amount paid |
|-----------|---------------|----------|-------------|
|           | N             | N        | Rand (Mil)  |
| 2013/2014 | 99            | 1 162    | 48.7        |
| 2014/2015 | 49            | 1 618    | 34.9        |
| 2015/2016 | 25            | 1 408    | 27.8        |

Source: FASSET data system 2016.

In 2016/2017 the PIVOTAL grant was discontinued and replaced by three separate grants (Learnership Employment Grant (LEG), Bursary Grant (BG) and the Non-PIVOTAL Learner Employment Grant (NLEG) for all employers (small, medium and large).

Initially, during its introduction year, the three grants were only available for Black African learners and Disabled learners. In 2017/2018 this was changed to also include Coloured African learners residing and employed in the Western Cape and Northern Cape.

The number organisations who participated in each of the three grant schemes, the learners who benefitted from each of the grants, and the grant pay-outs are presented in three splits for each grant type in tables 2-7 to 2-9. The data refers to only **medium and large** organisations.

**Table 2-7 Learner Employment Grant (LEG) Participants and pay-outs 2013/14 – 2019/20 (medium and large organisations)**

| Year       | Organisations | Learners | Amount paid |
|------------|---------------|----------|-------------|
|            | N             | N        | Rand (Mil)  |
| 2013/2014  | 65            | 1 695    | 28.2        |
| 2014/2015  | 30            | 1 015    | 19.3        |
| 2015/2016  | 23            | 1 290    | 23          |
| *2016/2017 | 45            | 1 099    | 32.4        |
| 2017/2018  | 35            | 1 085    | 31.7        |
| 2018/2019  | 61            | 1 521    | 62.3        |
| 2019/2020  | 33            | 1 598    | 66.8        |

\*The PG Learnerships was replaced by the Learner Employment Grant (LEG) in 2017.

Source: FASSET data system 2020.

Table 2-7 reflects data for the Learner Employment Grant (LEG) for medium (50-149 employees) and large organisations (150 or more employees), previously referred to as the PIVOTAL Grant learnership grant before 2016/2017.

**Table 2-8 Bursary Grant (BG) Participants and pay-outs 2013/14 – 2019/20**

| Year       | Organisations | Learners | Amount paid |
|------------|---------------|----------|-------------|
|            | N             | N        | Rand (Mil)  |
| 2013/2014  | 30            | 879      | 19.2        |
| 2014/2015  | 22            | 565      | 11.9        |
| 2015/2016  | 26            | 610      | 14          |
| *2016/2017 | 29            | 489      | 17.1        |
| 2017/2018  | 17            | 338      | 11.3        |
| 2018/2019  | 27            | 588      | 23.4        |
| 2019/2020  | 22            | 420      | 19.2        |

\*The PG Bursaries was replaced by the Bursary Grant (BG) in 2017.

Source: FASSET data system 2020.

The Bursary Grant (BG) incentivises employers who financially assists unemployed learners in full-time studies to complete their tertiary studies. Qualifications linked scarce skills are a criteria. The data recorded for 2019/20 reflects that 420 learners from 22 organisations were approved for grants claimed.

**Table 2-9 Non-Pivotal Learner Employment Grant (NLEG) Participants and pay-outs 2013/14 – 2019/20**

| Year        | Organisations | Learners | Amount paid |
|-------------|---------------|----------|-------------|
|             | N             | N        | Rand (Mil)  |
| 2013/2014   | 4             | 23       | 0.1         |
| 2014/2015   | 7             | 28       | 0.26        |
| **2015/2016 |               |          |             |
| *2016/2017  | 23            | 219      | 6.5         |
| 2017/2018   | 16            | 172      | 5.0         |
| 2018/2019   | 12            | 348      | 17.1        |
| 2019/2020   | 17            | 152      | 8.8         |

\*The PG Internships was replaced by the Non-Pivotal Learner Employment Grant (NLEG) in 2017.

\*\*2016 is not included; grant was discontinued, but reintroduced in 2017.

Source: FASSET data system 2020

Table 2-9 accounts for both unemployed learners in internships (1-year minimum) and those offered permanent employment. Only qualifications linked to the latest sector scarce skills list are eligible. In 2019/2020, 17 medium-to-large size organisations were approved NLEG claims for 152 learners with about R8.8 million paid out.

## 2.4.4 Assessor and Moderator Grant (AMG)

In 2009/2010 FASSET decided to offer a grant to individuals who undertook training to become registered as assessors and / or moderators. The AMG covers the costs of training and the assessment of individuals against certain unit standards. After completion participants will be allowed to register as an assessor or moderator for unit standards and qualifications within the FASSET Education and Training Quality Assurance (ETQA) scope. From 2011/2012 to 2014/2015 (the last year that FASSET offered the grant) a total of R951 740 was paid out as AMG's to 309 participants (Table 2-8).

**Table 2-8 AMG: Participants and pay-outs 2011/12 – 2014/15**

| Year         | Assessor   |            | Moderator |          | Total      | Total grant amount |
|--------------|------------|------------|-----------|----------|------------|--------------------|
|              | Female     | Male       | Female    | Male     |            |                    |
|              | N          | N          | N         | N        |            |                    |
| 2011/2012    | 8          | 3          | 5         | 1        | 17         | From 145           |
| 2012/2013    | 37         | 30         | 9         | 5        | 81         | R298 509           |
| 2013/2014    | 42         | 30         | 2         | 3        | 77         | R291 674           |
| 2014/2015    | 62         | 72         |           |          | 134        | R298 992           |
| <b>Total</b> | <b>149</b> | <b>135</b> | <b>16</b> | <b>9</b> | <b>309</b> | <b>R951 740</b>    |

Source: FASSET data system 2015.

## 2.4.5 National Student Financial Aid Scheme (NSFAS) Loan Repayment Grant

This grant was introduced in 2012/2013 to ensure the retention of learners on learnerships with FASSET employers. Experience had taught that many of the learners who enter FASSET learnerships owe large amounts to the NSFAS and discontinue their learnerships to take up higher paying jobs outside the FASSET sector so that they can repay their loans. The NSFAS Loan Repayment Grant (NLRG) is meant to relieve the learners from that debt burden so that they can continue with their learnerships and reach full professional status. As with all other discretionary funding, the grant is available to African learners, Coloured learners in the Western and Northern Cape and people with disabilities.

In 2013/2014 a total of 186 learners benefited from this grant and a total amount of R2.1 million was paid towards the learners' study loans. In 2014/2015 the number of grant beneficiaries dropped to 79 and less than R1 million was paid out. In 2015/2016 the number of beneficiaries increased to 143 and R4.3 million was paid out.

The 2016/17 financial year saw a sharp increase in the uptake of this particular Discretionary Grant. The number of grant beneficiaries shot up to 410 and the grant pay-outs to R12.5 million. In 2019/2020 approximately R15.3 million was paid out in NSFAS Loan Repayment Grants to a total number of 386 beneficiaries.

**Table 2-9 NSFAS Loan Repayment Grant: Participants and pay-outs 2014- 2020**

|         | Chartered Accountant: Auditing | Post Grad. Diploma: Prof. Accountant in Practice | Post Grad. Prof. Qualification: Prof. Accountant in Business | Prof. Qualification: Chartered Certified Accountant | General Internal Auditor | Prof. Qualification: Chartered Management Accountant | Internal Audit Technician | Total       |
|---------|--------------------------------|--|--|---|--------------------------|--|---------------------------|-------------|
| 2013/14 | 113                            | 63   | 6  |   | 3                        |  | 1                         | 186         |
|         | R1 273 004                     | R728 427   | R80 000  |   | R35 000                  |  | R8 748                    | R2 125 179  |
| 2014/15 | 36                             | 40   | 1  |   | 2                        |  |                           | 79          |
|         | R419 954                       | R497 957   | R16 687  |   | R20 000                  |  |                           | R954 598    |
| 2015/16 | 109                            | 31   | 1  | 2   |                          |  |                           | 143         |
|         | R3 490 974                     | R763 171   | R25 127  | R32 894   |                          |  |                           | R4 312 166  |
| 2016/17 | 321                            | 80   | 1  | 3   |                          | 2  | 3                         | 410         |
|         | R10 187 046                    | R2 122 265                                       | R9 466   | R100 000  |                          | R33 106  | R80 000                   | R12 531 883 |
| 2017/18 | 300                            | 52   |  | 1   |                          |  | 2                         | 355         |
|         | R8 098 700                     | R1 295 924                                       |  | R20 000   |                          |  | R27 747                   | R9 442 371  |
| 2018/19 | 306                            | 48   | 3  |   |                          |  |                           | 357         |
|         | R8 330 529                     | R1 045 009                                       | R22 717  |   |                          |  |                           | R9 398 256  |
| 2019/20 | 329                            | 56   | 1  |   |                          |  |                           | 386         |
|         | R12 943 970                    | R2 307 902                                       | R12 973  |   |                          |  |                           | R15 264 845 |

Source: FASSET data system 2020.

## 2.5 CONCLUSIONS

The grant system consists of two components: Mandatory Grants and Discretionary Grants. Mandatory Grants include grants payable upon the submission by organisations of WSPs and ATRs. These grants are mandatory as the SETAs are obliged to pay the grant to organisations that apply and meet the grant requirements. However, SETAs can structure Discretionary Grants to suit the specific needs of their sectors.

FASSET started in 2000/2001 with almost 7 600 levy paying organisations, that paid R22 million skills development levies (SDL). For the 2019/2020 financial period, a total of 8 442 organisations participated in the levy-grant system and the SDL for that year totalled R496 million<sup>3</sup>.

In 2000/2001 13% of the levy paying organisations participated in the Mandatory Grant system. Participation reached a peak in 2006/2007 with 55% of organisations in the sector claiming Mandatory Grants. However, this figure was strongly influenced by the lifting of the levy threshold to a payroll of R500 000 per year. As a result of this change the number of levy paying organisations dropped while the number of organisations that claimed

<sup>3</sup> Levy amounts are given in nominal terms and increased steadily over the total period under review.

the Mandatory Grant remained more or less unchanged. From 2008/2009 to 2013/2014 the actual number of organisations that claimed Mandatory Grants as well as the participation rates dropped but both increased again in 2014/2015 and 2015/2016. This can be attributed, to a large extent, to the reduction of the Mandatory Grant from 50% to 20%.

Over the total period under review the organisations that claimed Mandatory Grants paid 59% of the total SDL received by FASSET. As the SDL is directly related to the salary bill it is fair to assume that these organisations employ about 60% of the workers in the sector and that the employee information that was submitted to FASSET as part of the WSPs represented almost 60% of the workers.

Over the review period there was always better participation from the medium and large organisations than from small organisations.

Since the inception of FASSET, the Discretionary Grants have undergone a number of changes. Initially, the Strategic Cash Grant (SCG) was introduced in 2005/2006. All organisations (small, medium and large) were eligible for the SCG, and the criteria was reviewed annually in accordance with industry needs and sector priorities. In 2011/2012, the criteria for the SCG was changed to only be payable in respect of Black African beneficiaries and Disabled beneficiaries.

During 2012/2013, the SCG was discontinued and the Learnership Cash Grant (LCG) and the PIVOTAL Grant was introduced. Only small organisations (less than 50 employees) were eligible for the SCG, while medium (50-149 employees) and large (150 or more employees) organisations were eligible for the PIVOTAL Grant. The criteria introduced in 2011/2012 were still relevant.

In 2016/2017, the LCG and PIVOTAL Grant was discontinued, and three new grants were introduced, i.e. Learnership Employment Grant (LEG), Bursary Grant (BG) and Non-PIVOTAL Learner Employment Grant (NLEG). All organisations (small, medium and large) are eligible for these grants. In 2017/2018, the criteria for these grants were changed, and at present, all grants are payable in respect of Black African N, Disabled N, and Coloured African N residing and working in the Northern Cape and Western Cape.

Only a small number of organisations participate in Discretionary Grants. As mentioned earlier, the Discretionary Grants have undergone a number of changes over the years. In 2019/2020, the number of beneficiary n and pay-outs were recorded as follows:

- **LEG:** 1 924 learners, R 80.5 million
- **BG:** 420 learners, R19.2 million
- **NLEG:** 152 learners, R8.8 million

The AMG was introduced in 2009/2010 and from 2011/2012 to 2014/2015 a total of R951 740 grant money was paid to 309 participants.

The NLRG was introduced in 2013/2014 to ensure the retention of beneficiaries on Learnerships with FASSET employers. The uptake of this grant was also relatively low. In 2013/2014, 186 individuals benefited from this grant and a total grant amount of R2.1 million was paid out to study loans, mainly for the Chartered Accountant Auditing Learnership. In 2019/2020 the number of grant beneficiaries were reported to be 386 with approximately R15.3 million paid out. The majority of recipients across the years to-date were enrolled in Chartered Accountant: Auditing or the Post Graduate Diploma: Professional Accountant in Practice programmes.



## 3 PROFILE OF THE SECTOR

### 3.1 INTRODUCTION

This chapter describes the profile of the workers employed in the FASSET sector and changes in the profile based on the WSP information submitted from 2000/2001 to 2019/2020. The figures presented in this chapter portrays the situation as at the time at which the WSP information was prepared for and submitted into the FASSET data collection system.

The chapter starts with estimates of total employment in the sector. This is followed by the provincial- and the subsector distribution of employees and the race and gender breakdown. Finally, employment is discussed in terms of OFO occupational groups with further analysis of managers, professionals, technicians and associate professionals and clerical support workers.

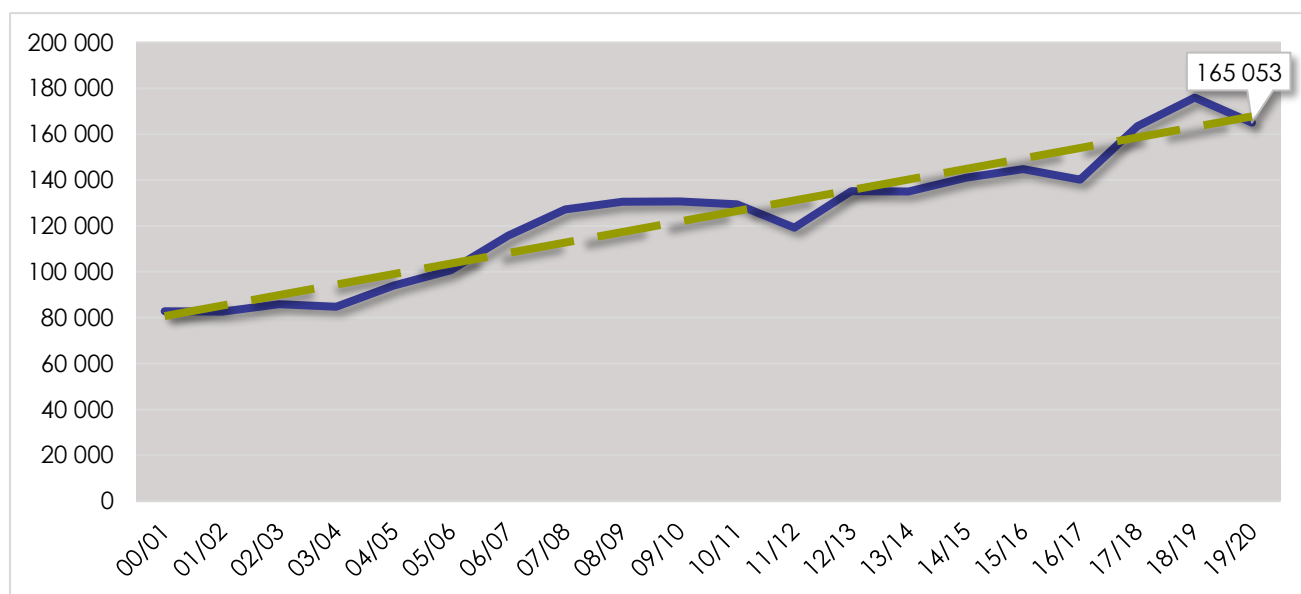
From 2000/2001 to 2007/2008 FASSET classified employees according to the Standard Occupational Classification (SOC) main occupational groups (eight groups). In 2005/2006 the Department of Labour introduced the Organising Framework for Occupations (OFO) and required SETAs to change to this system. At that time the OFO had nine occupational groups that differed from those of the SOC. FASSET introduced the OFO in 2008/2009.

However, in 2009/2010 the DHET (who had taken over responsibility for the SETAs) changed the structure of the OFO in order to align it to the International Standard Classification of Occupations (ISCO) used by the International Labour Organisation (ILO). The changes in the occupational classification had a major impact on FASSET's ability to track changes in the occupational groups. These changes especially impacted on the reporting of trainee accountants and auditors in the data – one of the relatively large occupational groupings in the sector. The different classification systems allocated them to different major groups.

In this chapter only the 2019 version of the OFO is used in the tables that give occupational breakdowns. The information in these tables is also limited to the years since the introduction of the new format.

### 3.2 TOTAL EMPLOYMENT

Estimates of total employment in FASSET from 2000-2020 are shown in Figure 3-1. Employment in the first year of review was estimated at 82 811. From 2002/2003 to 2010/2011 employment increased steadily and reached 129 408 in 2010/2011. In 2011/2012 employment dropped to 119 300 before increasing to 135 191 in 2012/2013. Employment increased to 144 772 in 2015/2016 before decreasing to 140 240 in 2016/2017. Total employment recorded for 2019/20 was 165 053, approximately 10 916 less than 2018/19. Employment grew at an average annual growth rate (AAG) of 4% over the 19-year period.



**Figure 3-1 Total employment: 2000/01 – 2019/20**

Source: FASSET data system 2020

### 3.3 PROVINCIAL DISTRIBUTION

Table 3-1 shows the provincial distribution of employees in the Finance and Accounting Services Sector from 2000/2001 to 2019/2020. Gauteng was the province with the largest proportion of employees in all the years of the review period. In 2019/20, Gauteng held 59% share of employment, while the Western Cape had the second largest share of employment at 22%. KwaZulu-Natal comprised 8% of total employment. The North West, Mpumalanga, and the Northern Cape housed 1% of the employees, respectively, while Limpopo and Free State held 2% respectively. The Eastern Cape housed 4% of employees.

**Table 3-1 Employment by province: 2000/01 – 2019/20**

| Year      | EC<br>% | FS<br>% | GP<br>% | KZN<br>% | MP<br>% | NC<br>% | LP<br>% | NW<br>% | WC<br>% | Unknown<br>% | Total<br>% |
|-----------|---------|---------|---------|----------|---------|---------|---------|---------|---------|--------------|------------|
| 2000/2001 | 6       | 2       | 56      | 14       | 2       | 1       | 1       | 2       | 16      | 0            | 100        |
| 2001/2002 | 4       | 3       | 56      | 9        | 2       | 1       | 1       | 3       | 22      | 0            | 100        |
| 2002/2003 | 5       | 3       | 54      | 11       | 3       | 1       | 1       | 2       | 21      | 0            | 100        |
| 2003/2004 | 5       | 3       | 52      | 11       | 3       | 1       | 2       | 2       | 22      | 0            | 100        |
| 2004/2005 | 5       | 3       | 52      | 11       | 2       | 1       | 1       | 3       | 22      | 0            | 100        |
| 2005/2006 | 5       | 3       | 55      | 10       | 2       | 1       | 2       | 3       | 21      | 0            | 100        |
| 2006/2007 | 4       | 3       | 53      | 10       | 3       | 1       | 2       | 3       | 22      | 0            | 100        |
| 2007/2008 | 5       | 4       | 51      | 11       | 3       | 1       | 1       | 3       | 21      | 0            | 100        |
| 2008/2009 | 5       | 3       | 51      | 11       | 2       | 1       | 2       | 3       | 21      | 0            | 100        |
| 2009/2010 | 6       | 3       | 51      | 11       | 2       | 1       | 2       | 3       | 21      | 0            | 100        |
| 2010/2011 | 5       | 3       | 52      | 11       | 2       | 1       | 2       | 4       | 20      | 0            | 100        |
| 2011/2012 | 5       | 3       | 54      | 10       | 2       | 1       | 2       | 3       | 21      | 0            | 100        |
| 2012/2013 | 5       | 3       | 53      | 8        | 2       | 2       | 4       | 1       | 21      | 0            | 100        |
| 2013/2014 | 4       | 2       | 53      | 7        | 1       | 2       | 3       | 1       | 19      | 10*          | 100        |
| 2014/2015 | 4       | 2       | 57      | 8        | 2       | 2       | 2       | 1       | 21      | 0            | 100        |
| 2015/2016 | 4       | 2       | 57      | 8        | 2       | 2       | 2       | 1       | 22      | 0            | 100        |
| 2016/2017 | 4       | 2       | 56      | 8        | 3       | 2       | 2       | 1       | 22      | 0            | 100        |
| 2017/2018 | 4       | 2       | 51      | 7        | 2       | 1       | 3       | 1       | 29      | 0            | 100        |
| 2018/2019 | 5       | 3       | 48      | 10       | 4       | 1       | 7       | 2       | 19      | 0.6          | 100        |
| 2019/2020 | 4       | 2       | 59      | 8        | 2       | 1       | 1       | 1       | 22      | 0            | 100        |

\*The large percentage of records without provincial allocation can be ascribed to poor data quality of the 2013/2014 submissions. In 2016/2017 FASSET converted to a new data collection system whereby employers had to submit individual records instead of summary data.

Source: FASSET data system 2020

### 3.4 SUBSECTOR, RACE AND GENDER

FASSET's sector is grouped into seven subsectors: Investment Entities and Trusts and Company Secretarial Services; Stockbroking and Financial Markets; Development Organisations; Accounting, Bookkeeping, Auditing and Tax Services; Activities Auxiliary to Financial Intermediation; Business and Management Consulting Services and SARS and Government Departments. Estimated employment per subsector from 2000/2001 to 2019/20 is depicted in Table 3-2, together with each subsectors' share (%) of total employment in that year. Although employment figures at subsector level fluctuated over the time period, the consistent growth of all the subsectors is evident.

The subsector Accounting, Bookkeeping, Auditing and Tax services is by far the largest subsector, accounting for over 61 000 of employment in 2019/2020. In the period 2001/2002 to 2005/2006 it employed more than half of the sector's workforce. However, its share in sectoral employment declined. This is the result of the more rapid growth of the other subsectors.

Business and Management Consulting Services is the second largest subsector over the 19-year period, holding approximately 21% of the sector's workforce. Stockbroking and Financial Markets has seen considerable growth in 2017/2018, and in 2019/2020 it had approximately 24 380 workers. This sector is the third largest sector in terms of employment. SARS, the largest organisation in the FASSET sector, did not submit WSP information before

2007/2008. Therefore, the subsector SARS and Government Departments' growth was only calculated from 2007/2008 onwards.

The population group and gender distribution of employees can be seen in Table 3-3. In 2019/2020 the FASSET sector employed 71 490 Africans, 18 898 Coloureds, 15 021 Indians and 55 789 Whites. In total, Black (African, Coloured and Indian) employees constituted 64% of the sector's employees. From 2001/2002 to 2019/2020 African employees' share of employment increased from 20% to 43%, Coloureds from 9% to 11%, and Indians from 8% to 9% for the period. The share of White employees decreased from 60% in 2001/2002 to 34% in 2019/2020. From 2012/2013 onwards FASSET also collected information on the employment of foreigners. In 2020, 2% of the employees in the sector were foreign nationals.

The majority of workers in the sector is women. In 2019/2020 the sector employed 91 215 females - 55% of the sector's employees were female. The predominance of women in the sector is not new. Females were in the majority in 2001/2002 and their share in employment increased from 54% in 2001/2002 to 58% in 2015/2016 before decreasing to 55% in 2016/2017.

Table 3-3 shows the distribution of the employment by race and gender in more detail. From 2001/2002 to 2019/2020 African females showed the largest increase in numbers: from 8 651 in 2001/2002 to 39 523 in 2019/2020. In contrast, white females increased only marginally from 26 548 in 2001/2002 to 29 629 in 2019/2020 (at an average growth rate of about 0.5%).

**Table 3-2 Employment by subsector: 2001/02 – 2019/20**

| Year           | Investment<br>Entities & Trusts &<br>Company<br>Secretarial<br>Services |    | Stockbroking &<br>Financial<br>Markets |    | Development<br>Organisations |   | Accounting,<br>Bookkeeping,<br>Auditing & Tax<br>Services |    | Activities<br>Auxiliary to<br>Financial<br>Intermediation |    | Business &<br>Management<br>Consulting<br>Services |    | SARS* &<br>Government<br>Departments |    | Unknown |     | Total    |     |
|----------------|---|----|--|----|------------------------------|---|---|----|---|----|--|----|--------------------------------------|----|---------|-----|----------|-----|
|                | N   | %  | N                                      | %  | N                            | % | N   | %  | N   | %  | N  | %  | N                                    | %  | N       | %   | N        | %   |
| 2001/02        | 7 029   | 9  | 9 379                                  | 11 | 1 294                        | 2 | 44 960  | 54 | 11 306  | 14 | 7 873  | 10 | 790                                  | 1  |         |     | 82 632   | 100 |
| 2002/03        | 6 976   | 8  | 8 708                                  | 10 | 1 383                        | 2 | 49 549  | 58 | 10 374  | 12 | 8 891  | 10 |                                      |    |         |     | 85 881   | 100 |
| 2003/04        | 7 141   | 8  | 7 674                                  | 9  | 1 831                        | 2 | 50 183  | 59 | 7 592   | 9  | 9 837  | 12 | 570                                  | 1  |         |     | 84 828   | 100 |
| 2004/05        | 7 507   | 8  | 8 085                                  | 9  | 1 629                        | 2 | 53 133  | 57 | 10 682  | 11 | 11 208   | 12 | 1 770                                | 2  |         |     | 94 015   | 100 |
| 2005/06        | 5 804   | 6  | 10 185                                 | 10 | 1 776                        | 2 | 54 247  | 54 | 9 436   | 9  | 17 636   | 18 | 1 637                                | 2  |         |     | 100 722  | 100 |
| 2006/07        | 8 142   | 7  | 17 169                                 | 15 | 2 060                        | 2 | 54 981  | 48 | 12 033  | 10 | 19 274   | 17 | 2 055                                | 2  |         |     | 115 715  | 100 |
| 2007/08        | 8 439   | 7  | 14 418                                 | 11 | 2 144                        | 2 | 53 822  | 42 | 11 181  | 9  | 21 222   | 17 | 15 978                               | 13 |         |     | 127 204  | 100 |
| 2008/09        | 8 980   | 7  | 14 817                                 | 11 | 2 174                        | 2 | 55 707  | 43 | 11 873  | 9  | 20 468   | 16 | 16 471                               | 13 |         |     | 130 490  | 100 |
| 2009/10        | 9 026   | 7  | 14 890                                 | 11 | 2 104                        | 2 | 52 954  | 41 | 12 491  | 10 | 22 129   | 17 | 17 121                               | 13 |         |     | 130 716  | 100 |
| 2010/11        | 9 054   | 7  | 14 285                                 | 11 | 1 950                        | 2 | 58 387  | 45 | 11 280  | 9  | 18 505   | 14 | 15 947                               | 12 |         |     | 129 408  | 100 |
| 2011/12        | 10 479  | 9  | 12 292                                 | 10 | 1 886                        | 2 | 48 491  | 41 | 10 694  | 9  | 19 995   | 17 | 15 464                               | 13 |         |     | 119 300  | 100 |
| 2012/13        | 7 828   | 6  | 12 467                                 | 9  | 2 333                        | 2 | 49 351  | 37 | 19 648  | 15 | 26 258   | 19 | 17 306                               | 13 |         |     | 135 191  | 100 |
| 2013/14        | 11 189  | 8  | 12 080                                 | 9  | 1 716                        | 1 | 62 460  | 46 | 11 022  | 8  | 22 354   | 17 | 14 247                               | 11 |         |     | 135 068  | 100 |
| 2014/15        | 12 924  | 9  | 17 362                                 | 12 | 2 254                        | 2 | 55 335  | 39 | 12 201  | 9  | 23 497   | 17 | 17 391                               | 12 |         |     | 140 963  | 100 |
| 2015/16        | 11 984  | 8  | 16 739                                 | 12 | 1 548                        | 1 | 56 971  | 39 | 15 497  | 11 | 27 341   | 19 | 14 692                               | 10 |         |     | 144 772  | 100 |
| 2016/17        | 13 885  | 10 | 18 389                                 | 13 | 2 735                        | 2 | 52 252  | 37 | 14 788  | 11 | 21 010   | 15 | 16 684                               | 12 | 497     | 0   | 140 240  | 100 |
| 2017/18        | 11 623  | 7  | 24 189                                 | 15 | 5 216                        | 3 | 55 523  | 34 | 21 830  | 13 | 27 034   | 17 | 17 443                               | 11 | 644     | 0   | 163 503  | 100 |
| 2018/19        | 10 282  | 6  | 25 422                                 | 14 | 5 167                        | 3 | 58 211  | 33 | 22 595  | 13 | 29 748   | 17 | 17 442                               | 10 | 7 102   | 4   | 175 969  | 100 |
| 2019/20        | 9 671   | 6  | 24 380                                 | 15 | 2 919                        | 2 | 61 100  | 37 | 17 123  | 10 | 34 437   | 21 | 15 055                               | 9  | 369     | 0.2 | 165 053  | 100 |
| <b>AAG (%)</b> | <b>2</b>  |    | <b>5</b>                               |    | <b>5</b>                     |   | <b>2</b>  |    | <b>2</b>  |    | <b>9</b>   |    | <b>18</b>                            |    |         |     | <b>4</b> |     |

\*SARS, the largest organisation in the sector, only submit employment figures since 2008.Source: FASSET data system 2020

**Table 3-3 Employment by race and gender 2001/02 – 2019/20**

| Year    | African |    |        |    | Coloured |    |       |   | Indian |   |       |   | White  |    |        |    | Non- South African* |   |       |   | Total   |     |
|---------|---------|----|--------|----|----------|----|-------|---|--------|---|-------|---|--------|----|--------|----|---------------------|---|-------|---|---------|-----|
|         | Female  |    | Male   |    | Female   |    | Male  |   | Female |   | Male  |   | Female |    | Male   |    | Female              |   | Male  |   |         |     |
|         | N       | %  | N      | %  | N        | %  | N     | % | N      | % | N     | % | N      | %  | N      | %  | N                   | % | N     | % | N       | %   |
| 2001/02 | 8 651   | 10 | 7 585  | 9  | 5 570    | 7  | 2 904 | 4 | 3 896  | 5 | 3 546 | 4 | 27 113 | 33 | 23 365 | 28 |                     |   |       |   | 82 632  | 100 |
| 2002/03 | 8 772   | 10 | 7 742  | 9  | 5 668    | 7  | 2 689 | 3 | 4 155  | 5 | 3 763 | 4 | 27 845 | 32 | 25 246 | 29 |                     |   |       |   | 85 881  | 100 |
| 2003/04 | 8 786   | 10 | 7 587  | 9  | 5 842    | 7  | 2 525 | 3 | 4 249  | 5 | 3 788 | 4 | 27 305 | 32 | 24 745 | 29 |                     |   |       |   | 84 828  | 100 |
| 2004/05 | 11 894  | 13 | 9 712  | 10 | 6 887    | 7  | 3 275 | 3 | 5 038  | 5 | 4 192 | 4 | 28 567 | 30 | 24 450 | 26 |                     |   |       |   | 94 015  | 100 |
| 2005/06 | 13 672  | 14 | 12 249 | 12 | 7 606    | 8  | 3 670 | 4 | 5 699  | 6 | 4 747 | 5 | 27 470 | 27 | 25 608 | 25 |                     |   |       |   | 100 722 | 100 |
| 2006/07 | 16 525  | 14 | 18 666 | 16 | 8 413    | 7  | 5 376 | 5 | 5 632  | 5 | 5 453 | 5 | 28 025 | 24 | 30 362 | 26 |                     |   |       |   | 118 453 | 100 |
| 2007/08 | 21 765  | 17 | 19 851 | 16 | 10 070   | 8  | 4 848 | 4 | 6 347  | 5 | 5 292 | 4 | 32 219 | 25 | 26 813 | 21 |                     |   |       |   | 127 204 | 100 |
| 2008/09 | 22 499  | 17 | 21 376 | 16 | 10 484   | 8  | 5 045 | 4 | 6 357  | 5 | 5 443 | 4 | 32 207 | 25 | 27 079 | 21 |                     |   |       |   | 130 490 | 100 |
| 2009/10 | 24 594  | 19 | 20 297 | 16 | 11 566   | 9  | 5 089 | 4 | 6 386  | 5 | 5 409 | 4 | 30 768 | 24 | 26 607 | 20 |                     |   |       |   | 130 716 | 100 |
| 2010/11 | 24 468  | 19 | 20 488 | 16 | 10 111   | 8  | 4 966 | 4 | 6 758  | 5 | 5 863 | 5 | 30 456 | 24 | 26 298 | 20 |                     |   |       |   | 129 408 | 100 |
| 2011/12 | 22 936  | 19 | 18 472 | 15 | 10 730   | 9  | 4 817 | 4 | 6 282  | 5 | 5 174 | 4 | 27 241 | 23 | 23 647 | 20 |                     |   |       |   | 119 300 | 100 |
| 2012/13 | 27 209  | 20 | 19 125 | 14 | 11 246   | 8  | 4 999 | 4 | 6 903  | 5 | 5 652 | 4 | 30 046 | 22 | 27 115 | 20 | 661                 | 0 | 1 487 | 1 | 134 444 | 100 |
| 2013/14 | 21 594  | 16 | 17 667 | 13 | 9 075    | 7  | 4 422 | 3 | 6 128  | 5 | 5 247 | 4 | 29 713 | 22 | 26 174 | 19 | 775                 | 1 | 1 495 | 1 | 122 289 | 100 |
| 2014/15 | 31 327  | 22 | 22 561 | 16 | 11 053   | 8  | 5 372 | 4 | 7 512  | 5 | 6 065 | 4 | 29 253 | 21 | 25 210 | 18 | 1 010               | 1 | 1 599 | 1 | 140 963 | 100 |
| 2015/16 | 34 213  | 24 | 22 029 | 15 | 11 566   | 8  | 5 605 | 4 | 7 322  | 5 | 5 770 | 4 | 27 147 | 19 | 23 523 | 16 | 3 594               | 2 | 4 004 | 3 | 144 772 | 100 |
| 2016/17 | 33 017  | 24 | 26 117 | 19 | 10 445   | 7  | 5 772 | 4 | 7 031  | 5 | 5 961 | 4 | 26 272 | 19 | 23 241 | 17 | 862                 | 1 | 1 522 | 1 | 140 240 | 100 |
| 2017/18 | 40 604  | 25 | 30 382 | 19 | 12 098   | 7  | 6 691 | 4 | 7 782  | 5 | 6 372 | 4 | 30 243 | 18 | 26 438 | 16 | 1 091               | 1 | 1 802 | 1 | 163 503 | 100 |
| 2018/19 | 46 548  | 26 | 31 206 | 18 | 17 888   | 10 | 6 966 | 4 | 7 326  | 4 | 6 139 | 3 | 28 294 | 16 | 24 729 | 14 | 1 016               | 1 | 5 856 | 3 | 175 969 | 100 |
| 2019/20 | 39 523  | 24 | 31 967 | 19 | 12 426   | 8  | 6 471 | 4 | 8 133  | 5 | 6 888 | 4 | 29 629 | 18 | 26 160 | 16 | 1 504               | 1 | 2 353 | 1 | 165 053 | 100 |
| AAG (%) | 9       |    | 8      |    | 5        |    | 5     |   | 4      |   | 4     |   | 0.5    |    | 1      |    | 12                  |   | 7     |   | 4       |     |

Foreign nationals are classified separately from 2013. In 2016 non-South African workers include people from countries all over the world, especially Europe.

Source: FASSET data system 2020.

## 3.5 OCCUPATION GROUPS

As indicated earlier in this report, the last changes to the OFO that impacted on major group classification were implemented by FASSET in 2011/2012. For this reason, the analysis of occupational data is limited to the period 2011/2012 to 2019/2020.

From 2011/2012 to 2019/2020 total sector employment in the sector grew on average by 4% per year. Managers and professionals increased by 5% per year, respectively. Technicians and associate professionals grew by 2% per year, and so did Clerical support workers.

In 2019/2020, 87% of employees in the sector occupied positions as managers, professionals, technicians and associate professionals and clerical support workers (Table 3-4).

Finally, the four major groups (OFO) that form the majority of sector employees i.e. Managers, professionals, technicians and associate professionals and clerical support workers are further analysed in terms of population group and gender.

### 3.5.1 Managers

From 2011/2012 to 2019/2020, the number of African and Coloured female managers grew on average by 15% and 12% per year, respectively. The number of African males in managerial positions increased by 11% over the same period.

In 2019/2020 Africans filled 28% of managerial positions, coloureds 10%, Indians 10%, whites 49% and foreign people 2%. Of all the managers in the sector, 47% were females.

### 3.5.2 Professionals

The total number of professionals in the FASSET sector across population group and gender increased from 37 107 in 2011/2012 to 56 234 in 2019/2020. The average annual growth rate for professionals in the sector is 5%.

In 2019/2020, Africans' share of professional positions in the sector was 36%, coloureds 10%; Indians 12%; whites 40% and foreign people account for 3% of professionals in the sector. More than half (52%) of all professionals in 2019/2020 were females.

### 3.5.3 Technicians and Associate Professionals

The number of technicians and associated professionals increased from 15 351 in 2011/2012 to 17 474 in 2019/2020 at an average rate of 2% per year (Table 3-7).

For the years under review female technicians and associated professionals across all population groups show an average growth rate of 2% for the time period. In 2019/2020, African females and white females had the highest share of positions at 23% and 21% respectively. Across population groups, Africans account for 40% of positions in the occupation group, white people 38%, followed by coloured people at 13% and Indians at 7% in 2019/2020. More than half of the people in the occupation group (58%) were female.

### 3.5.4 Clerical Support Workers

The occupation group, clerical support workers, grew by 2% per year from 2012 to 2020, from 33 926 to 39 444 (Table 3-8). Foreign females show the highest annual increase (25% per year from 2013 to 2020).

In 2020, clerical support worker positions were filled by 52% Africans, 16% coloureds, 7% Indians and 23% whites. Female workers filled 72% of all positions in this occupation group.

**Table 3-4 Employment by major OFO group 2011/12 – 2019/20**

|         | Managers |    | Professionals |    | Technicians & Associate Professionals |    | Clerical Support Workers |    | Service & Sales Workers |   | Forestry, Fishery, Craft & Related Trades Workers |   | Plant & Machine Operators & Assemblers |   | Elementary Occupations |   | Unknown |   | Total   |     |
|---------|----------|----|---------------|----|---------------------------------------|----|--------------------------|----|-------------------------|---|---|---|--|---|------------------------|---|---------|---|---------|-----|
| Year    | N        | %  | N             | %  | N                                     | %  | N                        | %  | N                       | % | N   | % | N                                      | % | N                      | % | N       | % | N       | %   |
| 2011/12 | 20 574   | 17 | 37 107        | 31 | 15 351                                | 13 | 33 926                   | 28 | 4 198                   | 4 | 103   | 0 | 1 136                                  | 1 | 6 905                  | 6 |         | 0 | 119 300 | 100 |
| 2012/13 | 25 754   | 19 | 47 012        | 35 | 15 722                                | 12 | 33 181                   | 25 | 8 204                   | 6 | 323   | 0 | 759                                    | 1 | 3 622                  | 3 | 231     | 0 | 134 810 | 100 |
| 2013/14 | 19 814   | 15 | 47 899        | 35 | 21 765                                | 16 | 36 103                   | 27 | 4 541                   | 3 | 339   | 0 | 932                                    | 1 | 3 674                  | 3 |         | 0 | 135 067 | 100 |
| 2014/15 | 24 802   | 18 | 48 435        | 34 | 19 596                                | 14 | 37 898                   | 27 | 5 341                   | 4 | 443   | 0 | 717                                    | 1 | 3 731                  | 3 |         | 0 | 140 963 | 100 |
| 2015/16 | 22 639   | 16 | 59 629        | 41 | 16 187                                | 11 | 36 592                   | 25 | 4 071                   | 3 | 673   | 0 | 902                                    | 1 | 3 224                  | 2 | 855     | 1 | 144 773 | 100 |
| 2016/17 | 21 338   | 15 | 52 583        | 37 | 14 913                                | 11 | 32 427                   | 23 | 6 854                   | 5 | 1 252   | 1 | 1 338                                  | 1 | 4 694                  | 3 | 4 841   | 3 | 140 240 | 100 |
| 2017/18 | 25 535   | 16 | 59 715        | 37 | 18 648                                | 11 | 39 963                   | 24 | 7 232                   | 4 | 1 001   | 1 | 1 885                                  | 1 | 6 463                  | 4 | 3 061   | 2 | 163 503 | 100 |
| 2018/19 | 27 261   | 15 | 55 870        | 32 | 18 768                                | 11 | 51 478                   | 29 | 11 407                  | 6 | 1 276   | 1 | 1 627                                  | 1 | 6 733                  | 4 | 1 549   | 1 | 175 969 | 100 |
| 2019/20 | 29 751   | 18 | 56 234        | 34 | 17 474                                | 11 | 39 444                   | 24 | 6 904                   | 4 | 1 635   | 1 | 2 558                                  | 2 | 7 264                  | 4 | 3 790   | 2 | 165 053 | 100 |
| AAG %   | 5        |    | 5             |    | 2                                     |    | 2                        |    | 6                       |   | 41  |   | 11                                     |   | 1                      |   |         |   | 4       |     |

Source: FASSET data system 2020

**Table 3-5 Managers by population group and gender 2011/12 – 2019/20**

|         | African |    |       |    | Coloured |   |       |   | Indian |   |       |   | White  |    |       |    | Foreign |   |      |   | Other |   | Total  |
|---------|---------|----|-------|----|----------|---|-------|---|--------|---|-------|---|--------|----|-------|----|---------|---|------|---|-------|---|--------|
| Year    | Female  |    | Male  |    | Female   |   | Male  |   | Female |   | Male  |   | Female |    | Male  |    | Female  |   | Male |   | N     | % | N      |
|         | N       | %  | N     | %  | N        | % | N     | % | N      | % | N     | % | N      | %  | N     | %  | N       | % | N    | % | N     | % | N      |
| 2011/12 | 1 419   | 7  | 1 760 | 9  | 722      | 4 | 636   | 3 | 1 061  | 5 | 1 392 | 7 | 5 363  | 26 | 8 220 | 40 |         | 0 |      | 0 |       | 0 | 20 574 |
| 2012/13 | 2 156   | 8  | 2 731 | 11 | 889      | 3 | 760   | 3 | 1 159  | 5 | 1 663 | 6 | 6 002  | 23 | 9 652 | 37 | 150     | 1 | 441  | 2 | 150   | 1 | 25 753 |
| 2013/14 | 1 351   | 7  | 1 713 | 9  | 741      | 4 | 538   | 3 | 740    | 4 | 1 132 | 6 | 4 437  | 22 | 7 495 | 38 | 186     | 1 | 381  | 2 | 1 099 | 6 | 19 814 |
| 2014/15 | 2 354   | 9  | 2 911 | 12 | 985      | 4 | 791   | 3 | 1 172  | 5 | 1 630 | 7 | 5 539  | 22 | 8 580 | 35 | 279     | 1 | 562  | 2 |       | 0 | 24 802 |
| 2015/16 | 2 904   | 13 | 2 594 | 11 | 1 655    | 7 | 923   | 4 | 1 195  | 5 | 1 193 | 5 | 4 665  | 21 | 6 792 | 30 | 213     | 1 | 506  | 2 |       | 0 | 22 639 |
| 2016/17 | 2 901   | 14 | 2 933 | 14 | 997      | 5 | 802   | 4 | 1 122  | 5 | 1 217 | 6 | 4 429  | 21 | 6 523 | 31 | 151     | 1 | 265  | 1 |       |   | 21 338 |
| 2017/18 | 3 174   | 12 | 3 306 | 13 | 1 308    | 5 | 1 036 | 4 | 1 351  | 5 | 1 450 | 6 | 5 388  | 21 | 7 888 | 31 | 172     | 1 | 348  | 1 |       |   | 25 422 |
| 2018/19 | 3 406   | 12 | 3 505 | 13 | 1 715    | 6 | 1 118 | 4 | 1 433  | 5 | 1 540 | 6 | 5 711  | 21 | 8 298 | 30 | 178     | 1 | 357  | 1 |       |   | 27 261 |
| 2019/20 | 4 259   | 14 | 4 072 | 14 | 1 811    | 6 | 1 244 | 4 | 1 428  | 5 | 1 598 | 5 | 6 256  | 21 | 8 376 | 28 | 261     | 1 | 445  | 1 |       |   | 29 751 |
| AAG %   | 15      |    | 11    |    | 12       |   | 9     |   | 4      |   | 2     |   | 2      |    | 0.2   |    | 8*      |   | 0.1* |   |       |   | 5      |

\*Calculated from 2013. Source: FASSET data system 2020

**Table 3-6 Professionals by population group and gender 2011/12 – 2019/20**

| Year    | African |    |       |    | Coloured |   |       |   | Indian |   |       |   | White  |    |        |    | Foreign |   |       |   | Other |   | Total  |
|---------|---------|----|-------|----|----------|---|-------|---|--------|---|-------|---|--------|----|--------|----|---------|---|-------|---|-------|---|--------|
|         | Female  |    | Male  |    | Female   |   | Male  |   | Female |   | Male  |   | Female |    | Male   |    | Female  |   | Male  |   |       |   |        |
|         | N       | %  | N     | %  | N        | % | N     | % | N      | % | N     | % | N      | %  | N      | %  | N       | % | N     | % | N     | % | N      |
| 2011/12 | 5 010   | 14 | 4 650 | 13 | 1 738    | 5 | 1 348 | 4 | 2 477  | 7 | 2 434 | 7 | 9 153  | 25 | 10 298 | 28 |         | 0 |       | 0 |       | 0 | 37 107 |
| 2012/13 | 7 201   | 15 | 6 060 | 13 | 2 282    | 5 | 1 701 | 4 | 2 885  | 6 | 2 735 | 6 | 11 070 | 24 | 11 964 | 25 | 368     | 1 | 551   | 1 | 195   | 0 | 47 012 |
| 2013/14 | 6 961   | 15 | 5 908 | 12 | 1 868    | 4 | 1 374 | 3 | 2 543  | 5 | 2 552 | 5 | 11 421 | 24 | 12 296 | 26 | 391     | 1 | 548   | 1 | 2 036 | 4 | 47 899 |
| 2014/15 | 8 662   | 18 | 6 963 | 14 | 2 457    | 5 | 1 810 | 4 | 2 842  | 6 | 2 671 | 6 | 10 921 | 23 | 10 849 | 22 | 519     | 1 | 742   | 2 |       | 0 | 48 435 |
| 2015/16 | 10 308  | 17 | 7 583 | 13 | 3 413    | 6 | 2 265 | 4 | 3 176  | 5 | 3 208 | 5 | 11 851 | 20 | 12 215 | 20 | 2 735   | 5 | 2 875 | 5 |       |   | 59 629 |
| 2016/17 | 9 911   | 19 | 7 653 | 15 | 2 778    | 5 | 2 091 | 4 | 3 172  | 6 | 3 311 | 6 | 10 822 | 21 | 11 489 | 22 | 514     | 1 | 842   | 2 |       |   | 52 583 |
| 2017/18 | 11 707  | 20 | 9 017 | 15 | 3 033    | 5 | 2 303 | 4 | 3 363  | 6 | 3 514 | 6 | 12 100 | 20 | 12 860 | 22 | 539     | 1 | 928   | 2 |       |   | 59 364 |
| 2018/19 | 10 309  | 18 | 7 848 | 14 | 2 968    | 5 | 2 267 | 4 | 3 290  | 6 | 3 452 | 6 | 11 657 | 21 | 12 671 | 23 | 547     | 1 | 861   | 2 |       |   | 55 870 |
| 2019/20 | 11 248  | 20 | 8 719 | 16 | 3 116    | 6 | 2 380 | 4 | 3 392  | 6 | 3 280 | 6 | 11 075 | 20 | 11 514 | 20 | 583     | 1 | 926   | 2 |       |   | 56 234 |
| AAG %   | 11      |    | 8     |    | 8        |   | 7     |   | 4      |   | 4     |   | 2      |    | 1      |    | 7*      |   | 8*    |   |       |   | 5      |

\* Calculated from 2013. Source: FASSET data system 2020

**Table 3-7 Technicians and Associate Professionals by population group and gender 2011/12 – 2019/20**

| Year    | African |    |       |    | Coloured |    |       |   | Indian |   |      |   | White  |    |       |    | Foreign |   |      |   | Other |   | Total |        |
|---------|---------|----|-------|----|----------|----|-------|---|--------|---|------|---|--------|----|-------|----|---------|---|------|---|-------|---|-------|--------|
|         | Female  |    | Male  |    | Female   |    | Male  |   | Female |   | Male |   | Female |    | Male  |    | Female  |   | Male |   |       |   |       |        |
|         | N       | %  | N     | %  | N        | %  | N     | % | N      | % | N    | % | N      | %  | N     | %  | N       | % | N    | % | N     | % | N     |        |
| 2011/12 | 2 787   | 18 | 3 037 | 20 | 1 135    | 7  | 820   | 5 | 667    | 4 | 701  | 5 | 3 211  | 21 | 2 992 | 19 |         | 0 |      | 0 |       | 0 |       | 15 351 |
| 2012/13 | 2 560   | 16 | 2 896 | 18 | 1 313    | 8  | 929   | 6 | 603    | 4 | 528  | 3 | 3 173  | 20 | 3 296 | 21 | 62      | 0 | 362  | 2 | 0     | 0 |       | 15 722 |
| 2013/14 | 3 139   | 14 | 3 245 | 15 | 1 646    | 8  | 1 203 | 6 | 1 186  | 5 | 971  | 4 | 4 538  | 21 | 4 088 | 19 | 68      | 0 | 373  | 2 | 1 309 | 6 |       | 21 765 |
| 2014/15 | 3 752   | 19 | 3 731 | 19 | 1 500    | 8  | 989   | 5 | 1 116  | 6 | 865  | 4 | 3 980  | 20 | 3 522 | 18 | 51      | 0 | 90   | 0 |       | 0 |       | 19 596 |
| 2015/16 | 3 554   | 22 | 2 593 | 16 | 1 583    | 10 | 760   | 5 | 803    | 5 | 477  | 3 | 3 511  | 22 | 2 539 | 16 | 202     |   | 167  |   |       |   |       | 16 187 |
| 2016/17 | 3 386   | 23 | 2 747 | 18 | 1 384    | 9  | 718   | 5 | 699    | 5 | 359  | 2 | 3 144  | 21 | 2 315 | 16 | 51      | 0 | 109  | 1 |       |   |       | 14 913 |
| 2017/18 | 3 970   | 21 | 3 542 | 19 | 1 616    | 9  | 907   | 5 | 806    | 4 | 433  | 2 | 4 158  | 22 | 3 023 | 16 | 78      | 0 | 118  | 1 |       |   |       | 18 650 |
| 2018/19 | 3 563   | 19 | 3 972 | 21 | 1 606    | 9  | 1 050 | 6 | 809    | 4 | 492  | 3 | 4 048  | 22 | 3 035 | 16 | 73      | 0 | 120  | 1 |       |   |       | 18 768 |
| 2019/20 | 3 983   | 23 | 3 091 | 18 | 1 589    | 9  | 699   | 4 | 827    | 5 | 437  | 2 | 3 717  | 21 | 2 849 | 16 | 92      | 1 | 190  | 1 |       |   |       | 17 474 |
| AAG %   | 5       |    | 0     |    | 4        |    | -2    |   | 3      |   | -6   |   | 2      |    | -1    |    | 6*      |   | -9*  |   |       |   |       | 2      |

\* Calculated from 2013. Source: FASSET data system 2020



**Table 3-8 Clerical Support Workers by population group and gender 2011/12 – 2019/20**

| Year    | African |    |       |    | Coloured |    |       |   | Indian |   |      |   | White  |    |       |   | Foreign |   |      |   | Other |    | Total |        |
|---------|---------|----|-------|----|----------|----|-------|---|--------|---|------|---|--------|----|-------|---|---------|---|------|---|-------|----|-------|--------|
|         | Female  |    | Male  |    | Female   |    | Male  |   | Female |   | Male |   | Female |    | Male  |   | Female  |   | Male |   |       |    |       |        |
|         | N       | %  | N     | %  | N        | %  | N     | % | N      | % | N    | % | N      | %  | N     | % | N       | % | N    | % | N     | %  | N     |        |
| 2011/12 | 10 730  | 32 | 4 112 | 12 | 6 027    | 18 | 1 162 | 3 | 1 970  | 6 | 585  | 2 | 8 085  | 24 | 1 255 | 4 |         | 0 |      | 0 |       | 0  |       | 33 926 |
| 2012/13 | 10 470  | 32 | 3 630 | 11 | 5 610    | 17 | 1 045 | 3 | 1 931  | 6 | 491  | 1 | 8 517  | 26 | 1 328 | 4 | 75      | 0 | 65   | 0 | 18    | 0  |       | 33 181 |
| 2013/14 | 8 080   | 22 | 3 591 | 10 | 4 382    | 12 | 837   | 2 | 1 535  | 4 | 505  | 1 | 8 579  | 24 | 1 622 | 4 | 123     | 0 | 72   | 0 | 6 777 | 19 |       | 36 103 |
| 2014/15 | 12 810  | 34 | 5 372 | 14 | 5 217    | 14 | 1 284 | 3 | 2 204  | 6 | 785  | 2 | 8 318  | 22 | 1 677 | 4 | 135     | 0 | 95   | 0 |       | 0  |       | 37 898 |
| 2015/16 | 14 488  | 40 | 5 458 | 15 | 4 430    | 12 | 1 127 | 3 | 2 042  | 6 | 747  | 2 | 6 374  | 17 | 1 371 | 4 | 314     | 1 | 240  | 1 |       | 0  |       | 36 592 |
| 2016/17 | 12 100  | 37 | 4 850 | 15 | 4 050    | 12 | 1 119 | 3 | 1 708  | 5 | 707  | 2 | 6 415  | 20 | 1 347 | 4 | 71      | 0 | 58   | 0 |       |    |       | 32 427 |
| 2017/18 | 15 616  | 39 | 5 961 | 15 | 5 179    | 13 | 1 368 | 3 | 2 034  | 5 | 770  | 2 | 7 617  | 19 | 1 471 | 4 | 212     | 1 | 197  | 0 |       |    |       | 40 424 |
| 2018/19 | 21 162  | 41 | 5 608 | 11 | 11 660   | 23 | 1 554 | 3 | 1 926  | 4 | 732  | 1 | 6 953  | 14 | 1 435 | 3 | 221     | 0 | 226  | 0 |       |    |       | 51 478 |
| 2019/20 | 13 925  | 35 | 6 609 | 17 | 4 840    | 12 | 1 455 | 4 | 1 958  | 5 | 951  | 2 | 7 392  | 19 | 1 677 | 4 | 368     | 1 | 269  | 1 |       | 0  |       | 39 444 |
| AAG %   | 3       |    | 6     |    | -3       |    | 3     |   | -0.1   |   | 6    |   | -1     |    | 4     |   | 25*     |   | 22*  |   |       |    |       | 2      |

\* Calculated from 2013; Source: FASSET data system 2020

### 3.6 PROFESSIONAL BODIES/ORGANISATIONS

**Please note that this section is incomplete UE:NIKELA is awaiting outstanding data from the following organisations:**

- **ACCA**
- **CIMA**
- **SAICA**

Professional bodies are active in developing Learnerships for the FASSET sector and broader economy. These Learnerships serve as entry routes to occupations as well as to membership of the professional bodies and to the designations conferred by the professional bodies. In addition, many professional bodies set requirements for the continuous professional development (CPD) for their members 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 Management Board or have served as members. Representatives of professional bodies are also contributing to FASSET's working committees for quality assurance and Learnerships, skills planning, development projects and work-readiness programmes, as well as auditing. In this manner professional bodies share their expertise, knowledge and resources for the greater benefit of the FASSET sector.

A number of the professional bodies are also registered as employers with FASSET for purposes of payment of the SDL on their payrolls. The membership of professional bodies associated with FASSET are analysed according to race, gender and disability. Full membership data for 2020 is shown in Table 3-9 and trainee membership in Table 3-10.

**Table 3-9 Professional Bodies: Full membership by population group and gender, 2020**

| No | Name of Professional Institute                                   | Acronym | African | Coloured | Indian | White | Race un-known | TOTAL* | Male  | Female | Equity Unknown | Total* | Female | African | Black*** |
|----|--|---------|---------|----------|--------|-------|---------------|--------|-------|--------|----------------|--------|--------|---------|----------|
|    |  |         | N       | N        | N      | N     | N             | N      | N     | N      |                | N      | %      | %       | %        |
| 1  | Association for Certified Fraud Examiners South Africa           | ACFESA  | 1990    | 698      | 698    | 3496  | 0             | 6882   | 3800  | 3082   | 0              | 6882   | 45     | 29      | 49       |
| 2  | Association for Chartered Certified Accountants                  | ACCA    |         |          |        |       |               | 0      |       |        |                | 0      |        |         |          |
| 3  | Association of Accounting Technicians South Africa               | AAT(SA) | 109     | 14       | 48     | 156   | 1             | 328    | 163   | 165    | 0              | 328    | 50     | 33      | 52       |
| 4  | Association of Debt Recovery Agents                              | ADRA    | 41      | 4        | 17     | 130   | 0             | 192    | 138   | 54     | 0              | 192    | 28     | 21      | 32       |
| 5  | Chartered Institute of Government Finance, Audit & Risk Officers | CIGFARO | 933     | 79       | 67     | 157   | 21            | 1257   | 717   | 521    | 19             | 1257   | 41     | 74      | 86       |
| 6  | Chartered Institute of Management Accountants                    | CIMA**  |         |          |        |       |               | 0      |       |        |                | 0      |        |         |          |
| 7  | Chartered Secretaries Southern Africa                            | CSSA    | 465     | 61       | 157    | 1174  | 46            | 1903   | 1081  | 822    | 0              | 1903   | 43     | 24      | 36       |
| 8  | Institute of Accounting and Commerce                             | IACSA   | 604     | 71       | 92     | 430   | 18            | 1215   | 863   | 334    | 18             | 1215   | 27     | 50      | 63       |
| 9  | Institute of Certified Bookkeepers and Accountants               | ICBA    | 1353    | 334      | 383    | 2342  | 1             | 4413   | 1494  | 2919   | 0              | 4413   | 66     | 31      | 47       |
| 10 | Institute of Credit Management                                   | ICM     | 29      | 0        | 7      | 25    | 0             | 61     | 27    | 34     | 0              | 61     | 56     | 48      | 59       |
| 11 | Institute of Internal Auditors of South Africa                   | IIASA   | 4509    | 353      | 645    | 1104  | 25            | 6636   | 3055  | 3581   | 0              | 6636   | 54     | 68      | 83       |
| 12 | South African Institute for Chartered Accountants                | SAICA   | 7740    | 2232     | 6388   | 34206 | 430           | 50996  | 31017 | 19979  | 0              | 50996  | 39     | 15      | 32       |
| 13 | South African Institute for Tax Practitioners                    | SAIT    | 2118    | 403      | 749    | 5049  | 0             | 8319   | 4473  | 3846   | 0              | 8319   | 46     | 25      | 39       |
| 14 | South African Institute of Professional Accountants              | SAIPA   | 2212    | 657      | 913    | 6334  | 330           | 10446  | 5324  | 5085   | 37             | 10446  | 49     | 21      | 36       |
| 15 | Southern African Institute for Business Accountants              | SAIBA   | 2714    | 234      | 417    | 1562  | 522           | 5449   | 3231  | 2068   | 150            | 5449   | 38     | 50      | 62       |
| 16 | Southern African Institute of Government Auditors                | SAIGA   | 493     | 32       | 45     | 146   | 0             | 716    | 382   | 334    | 0              | 716    | 47     | 69      | 80       |

\* The difference between total and breakdown figures is due to the unknown race/gender status of some members.

\* Those institutions which do not reflect the race split are those which have indicated that they do not report on it.

\* ACCA make provision for reporting on other race categories i.e. Asian – Chinese, Malay, Pakistani

\* AGA Membership Statistics included under full membership for SAICA reporting

\* Disabled category included into the membership reporting

\*\*\* Black (African, coloured and Indian) members.

Source: Professional bodies, 2020.

**Table 3-10 Professional bodies: Student/trainee membership by race, gender and disability 2020**

| No | Name of Professional Institute                                   | Acronym | African | Coloured | Indian | White | Race unknown | TOTAL* | Male | Female | Equity Unknown | Total* | Female | African | Black*** |
|----|--|---------|---------|----------|--------|-------|--------------|--------|------|--------|----------------|--------|--------|---------|----------|
|    |  |         | N       | N        | N      | N     | N            | N      | N    | N      |                | N      | %      | %       | %        |
| 1  | Association for Certified Fraud Examiners South Africa           | ACFESA  | 5       | 2        | 4      | 2     | 0            | 13     | 5    | 8      | 0              | 13     |        |         |          |
| 2  | Association for Chartered Certified Accountants                  | ACCA    |         |          |        |       |              | 0      |      |        |                | 0      |        |         |          |
| 3  | Association of Accounting Technicians South Africa               | AAT(SA) | 516     | 159      | 40     | 47    | 0            | 762    | 252  | 510    | 0              | 762    | 67     | 68      | 94       |
| 4  | Association of Debt Recovery Agents                              | ADRA    | 0       | 0        | 0      | 0     | 0            | 0      | 0    | 0      | 0              | 0      | 0      | 0       | 0        |
| 5  | Chartered Institute of Government Finance, Audit & Risk Officers | CIGFARO | 35      | 1        | 1      | 3     | 0            | 40     | 20   | 20     | 0              | 40     | 50     | 88      | 93       |
| 6  | Chartered Institute of Management Accountants                    | CIMA*   |         |          |        |       |              | 0      |      |        |                | 0      |        |         |          |
| 7  | Chartered Secretaries Southern Africa                            | CSSA    | 825     | 103      | 90     | 200   | 2            | 1220   | 305  | 915    | 0              | 1220   | 75     | 68      | 83       |
| 8  | Institute of Accounting and Commerce                             | IACSA   | 136     | 3        | 3      | 10    | 0            | 152    | 95   | 57     | 0              | 152    | 38     | 89      | 93       |
| 9  | Institute of Certified Bookkeepers and Accountants               | ICBA    | 1142    | 286      | 183    | 1362  | 0            | 2973   | 750  | 2223   | 0              | 2973   | 75     | 38      | 54       |
| 10 | Institute of Credit Management                                   | ICM     | 115     | 24       | 27     | 48    | 0            | 214    | 36   | 178    | 0              | 214    | 83     | 54      | 78       |
| 11 | Institute of Internal Auditors of South Africa                   | IIASA   | 52      | 2        | 11     | 37    | 0            | 102    | 38   | 64     | 0              | 102    | 63     | 51      | 64       |
| 12 | South African Institute for Chartered Accountants                | SAICA   |         |          |        |       |              |        |      |        |                |        |        |         |          |
| 13 | South African Institute for Tax Practitioners                    | SAIT    | 1711    | 138      | 148    | 1009  | 60           | 3066   | 1305 | 1752   | 9              | 3066   | 57     | 56      | 65       |
| 14 | South African Institute of Professional Accountants              | SAIPA   | 637     | 309      | 165    | 1015  | 48           | 2174   | 834  | 1327   | 13             | 2174   | 61     | 29      | 51       |
| 15 | Southern African Institute for Business Accountants              | SAIBA   | 1770    | 92       | 185    | 1208  | 352          | 3607   | 1652 | 1243   | 712            | 3607   | 34     | 49      | 57       |
| 16 | Southern African Institute of Government Auditors                | SAIGA   | 99      | 0        | 0      | 1     | 0            | 100    | 52   | 48     | 0              | 100    | 48     | 99      | 99       |

\* The difference between total and breakdown figures is due to the unknown race/gender status of some members.

\* Some Professional Bodies no longer record and report on Student/Trainee Membership.

\* Disabled category included into the membership reporting

\* AGA Membership Statistics included under full membership for SAICA reporting

\*\*\* Acronyms in bold comprise 2015 membership figures.

Source: Professional bodies, 2019.

### 3.7 CONCLUSIONS

Professional body membership is highly regarded in the FASSET sector and the majority of professionals belong to a professional body. In terms of membership, these are categorised onto full membership and student/trainee membership.

#### Full Membership

The professional body with the largest membership is SAICA with a total of 50 996 full members, followed by SAIPA with 10 446 and SAIT with 8 319 full members. In terms of transformation of the member profile,

SAICA has seen a 2% increase in their total pool of those constituting black people moving from 30% in 2019 to 32% in 2020. The total number of female members has increased by 1% from 2019 to 2020, with the total number of females registered with SAICA at 39% for the year 2020.

Analysis of the total pool of Professional membership in 2020 totalled \_ with \_ (%) of the pool constituting black members and \_ (%) representing female members. This is an improvement from 2019 where the total number of black members accounted for \_% of the total professional members and women accounting for \_%. This shift is indicative of the ongoing transformation of the sector in terms of race and gender.

#### Trainee Membership

In terms of trainee membership, SAICA remains the professional body with the highest membership with a total of \_ for the year 2020. This accounts for \_% of the total pool and is indicative of SAICA's status within the profession. Comparatively, the total number of black trainees within the trainee membership pool remained static at \_% from 2019 to 2020. There has however been a drop in the total number of female trainee members from \_% of the total trainee membership pool in 2019 to \_% in 2020.

The race and gender transformation statistics for trainees are significantly higher than those of full members within the profession. This is indicative of a shift in accessibility into the profession and points towards it becoming a profession of choice.

## 4 TRAINING IN THE SECTOR

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### 4.1 INTRODUCTION

This chapter focuses on the supply-side of FASSET's labour market – and more specifically on the flow of new entrants into the labour market. In terms of access to entry into the sector, a minimum of a senior certificate including Mathematics and Accounting or post-school education qualification is required. The profile of the workforce as highlighted in the previous chapter gives credence to this with Professional and Administrative positions serving as the entry point into key occupations such as that of Accountant and Auditor within the sector.

This chapter starts with information on pass rates in the senior certificate exams, with specific emphasis on Mathematics and Accounting. This is followed by an analysis of the output from the public higher education system in the two broad study fields that are most important to this sector. Although there are many professional bodies who play a role in FASSET's sector and whose qualifications are important, the development of Chartered Accountants (SA) (CA(SA)s) is a critical factor in the development and in the transformation of the sector. In all the years that FASSET has been monitoring its labour market, the demand for CAs has exceeded supply. At the same time employers constantly reported a shortage of Black CAs. As a consequence, both FASSET and SAICA had a focus on the learning pathway leading to CA status – a long and onerous pathway. The output figures at the different stages in the development of CAs are reported in this chapter.

The chapter also includes information on FASSET's Learnerships and on its lifelong learning programme.

Unfortunately, FASSET has not been able to obtain detailed information on n studying in TVET institutions from the DHET. Information available in the public domain is generic, and does not specify details such as population group, disability status and gender i.e. the characteristics that FASSET focuses on in its strategy.

### 4.2 NATIONAL SENIOR CERTIFICATE

The National Senior Certificate (NSC) examination of 2008 was the first examination that was based on the New Curriculum Statement (NCS), which requires all n in Grades 10 to 12 to take seven subjects. Two of these subjects must be South African languages, one of which must be the language of teaching and learning. Besides two languages, all n must take Life Orientation and either Mathematics or Mathematical Literacy. In addition to these four compulsory subjects, n must choose three subjects from a list of approved subjects. The NSC pass requirements are noted as follows:

- Must obtain at least 40% in your Home Language,
- Must obtain at least 40% in two other subjects,
- Must obtain at least 30% for four other subjects,
- Must pass at least 6 out of 7 subjects

Grade 12 Mathematics is a prerequisite for tertiary studies in most of the study fields relevant to FASSET. Grade 12 Accounting is not necessarily a prerequisite for tertiary studies in the field of accounting, however, bookkeepers and accounting clerks could be drawn from Grade 12 n with Mathematics and Accounting as subjects. It is also possible that Accounting at school level could spark n' interest in accounting as a career.

Table 4-1 indicates great variations in the number of candidates as well as the number of passes for the period 2008 - 2020. In 2020, the Department of Basic Education changed the per subject reporting changed from above 40% to above 30%. The department has however commenced reporting on candidate achievement of 30% and above on gateway programmes since 2015, this is outlined in Table 4-2<sup>4</sup>.

The total number of learners who wrote matric increased by almost 15% in 2020 from 504 303 in 2019 to 578 468 in 2020. Over the same period, the number of learners who achieved Grade 12 increased by almost 8% from 409 906 in 2019 to 440 702 in 2020. The number of learners who wrote Mathematics in 2008 to 2019 has consistently decreased from 300 829 in 2008 to 222 034 in 2019. In 2020 however, the number of learners who wrote maths

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<sup>4</sup> Due to COVID-19, delays in reporting is evident – data refers to 2019

increased by 5% in 2019 (222 034) to 233 315 in 2020. However, only about 35% of those that wrote maths, achieved 40% or more.

**Table 4-1 Grade 12 Statistics, 2008-2020**

|            | Wrote Gr. 12 |             | Achieved Gr. 12 |             | Wrote Maths |             | Achieved Maths (40% and more) |             | Wrote Accounting |             | Achieved Accounting (40% and more) |             |
|------------|--------------|-------------|-----------------|-------------|-------------|-------------|-------------------------------|-------------|------------------|-------------|------------------------------------|-------------|
|            | N            | % of Gr. 12 | N               | % of Gr. 12 | N           | % of Gr. 12 | N                             | % of Gr. 12 | N                | % of Gr. 12 | N                                  | % of Gr. 12 |
| 2008       | 533 561      | 100         | 333 604         | 63          | 300 829     | 56          | 91 796                        | 17          | 176 078          | 33          | 55 164                             | 10          |
| 2009       | 552 073      | 100         | 334 718         | 61          | 301 654     | 55          | 90 699                        | 16          | 174 347          | 32          | 52 743                             | 10          |
| 2010       | 537 543      | 100         | 364 513         | 68          | 263 034     | 49          | 81 374                        | 15          | 160 991          | 30          | 56 830                             | 11          |
| 2011       | 496 090      | 100         | 348 117         | 70          | 224 635     | 45          | 67 541                        | 14          | 137 903          | 28          | 49 368                             | 10          |
| 2012       | 511 152      | 100         | 377 847         | 74          | 225 874     | 44          | 80 716                        | 16          | 134 978          | 26          | 57 621                             | 11          |
| 2013       | 562 115      | 100         | 439 764         | 78          | 324 097     | 58          | 97 790                        | 17          | 145 427          | 26          | 60 311                             | 11          |
| 2014       | 532 860      | 100         | 403 874         | 76          | 225 458     | 42          | 79 050                        | 15          | 125 987          | 24          | 55 837                             | 10          |
| 2015       | 644 536      | 100         | 455 825         | 71          | 263 903     | 41          | 84 297                        | 13          | 140 474          | 22          | 50 906                             | 8           |
| 2016       | 610 178      | 100         | 442 672         | 73          | 265 912     | 44          | 89 084                        | 15          | 128 853          | 21          | 57 914                             | 9           |
| 2017       | 534 484      | 100         | 401 435         | 75          | 245 103     | 46          | 86 098                        | 16          | 103 427          | 19          | 44 041                             | 8           |
| 2018       | 512 735      | 100         | 400 761         | 78          | 233 858     | 46          | 86 874                        | 17          | 90 278           | 18          | 43 831                             | 9           |
| 2019**     | 504 303      | 100         | 409 906         | 81          | 222 034     | 44          | 121 179                       | 24          | 80 110           | 16          | 62 796                             | 12          |
| 2020**     | 578 468      | 100         | 440 702         | 76          | 233 315     | 40          | 82 964                        | 14          | 92 767           | 16          | 49 103                             | 8           |
| <b>AAG</b> | <b>1%</b>    |             | <b>3%</b>       |             | <b>-1%</b>  |             | <b>1%</b>                     |             | <b>-5%</b>       |             | <b>1%</b>                          |             |

\* Annual Average Growth (AAG) calculated for the period 2008 - 2019

\*\* 2019 per subject reporting changed from above 40% to above 30% by the Department of Basic Education

Source: Department of Basic Education, 2019.

**Table 4-2 Grade 12 Statistics: 2010-2019 - Candidates' enrolment and performance in FASSET Gateway subjects at the 30% level and above – 2015 to 2019**

|              | Accounting |             |      | Mathematics |            |      |
|--------------|------------|-------------|------|-------------|------------|------|
|              | Enrolled   | Achieved    | %    | Enrolled    | Achieved   | %    |
| 2015         | 143 962    | 85 801      | 59,6 | 269 253     | 132 203    | 49,1 |
| 2016         | 137 808    | 95 777      | 69,5 | 285 406     | 145 842    | 51,1 |
| 2017         | 116 149    | 76 774      | 66,1 | 276 084     | 143 288    | 51,9 |
| 2018         | 104 553    | 75 801      | 72,5 | 270 516     | 156 899    | 58   |
| 2019         | 91 581     | 71 800      | 78,4 | 256 338     | 139 961    | 54,6 |
| <b>AAG %</b> |            | <b>-12%</b> |      |             | <b>-1%</b> |      |

\* 2019 per subject reporting changed from above 40% to above 30% by the Department of Basic Education

Source: Department of Basic Education, 2019.

### 4.3 HIGHER EDUCATION AND TRAINING

The DHET maintains the Higher Education Management Information System (HEMIS), database which provides information on the output from public universities and universities of technology. HEMIS classifies information according to the Classification of Educational Subject Matter (CESM). In 2008, the system was revised and the broad CESM category "Business, Economics and Management Studies" was disaggregated into 18 categories, compared to the 14 categories of the previous system. HEMIS collected data according to the revised categories from 2010 onwards. The information presented in this section was obtained from HEMIS and use the CESM categories and qualification categories used in this system.

### 4.3.1 National Diplomas and First Degrees

Table 4-2 shows the total number of national diplomas, three-year first degrees and four-year first degrees awarded in Accounting by public higher education institutions over the period 2001 to 2019. The number of Accounting national diplomas awarded over the period increased by an average of 3% for the period 2001 (2 876) to 2019 (4 462). In 2017, the total number of Black people (African, Coloured and Indian) entering the profession with a National Accounting Diploma, First-Year Degree 3 years and First-Year Degree 4 years peaked at 11 088 (85%), commiserate with the overall increase in Accounting studies. This statistic marginally decreased to a total of 10 991 Black People entering the profession in these categories in 2019; however, it still remains at 85% of the total pool of those entering the profession.

**Table 4-2 Accounting: National Diplomas and First Degrees by qualification type, population group and gender: 2001-2019**

| Year         | Type of qualification |                    |                    |                | Race           |               |               |               | Gender         |                |               |                |
|--------------|-----------------------|--------------------|--------------------|----------------|----------------|---------------|---------------|---------------|----------------|----------------|---------------|----------------|
|              | National Diplomas     | 1st Degrees (3yrs) | 1st Degrees (4yrs) | Total          | African        | Coloured      | Indian        | White         | Total          | Female         | Male          | Total          |
| 2001         | 2 876                 | 3 550              | 440                | 6 866          | 3 142          | 481           | 761           | 2 481         | 6 865          | 3 448          | 3 417         | 6 865          |
| 2002         | 3 055                 | 4 033              | 510                | 7 598          | 3 817          | 418           | 815           | 2 548         | 7 598          | 4 021          | 3 577         | 7 598          |
| 2003         | 3 420                 | 4 646              | 668                | 8 734          | 4 484          | 549           | 872           | 2 830         | 8 735          | 4 649          | 4 085         | 8 734          |
| 2004         | 3 034                 | 3 905              | 684                | 7 623          | 4 446          | 462           | 688           | 2 027         | 7 623          | 4 287          | 3 336         | 7 623          |
| 2005         | 2 898                 | 3 596              | 1 915              | 8 409          | 4 639          | 518           | 707           | 2 543         | 8 407          | 4 770          | 3 638         | 8 408          |
| 2006         | 3 196                 | 4 947              | 1 093              | 9 236          | 5 342          | 552           | 754           | 2 588         | 9 236          | 5 194          | 4 041         | 9 235          |
| 2007         | 2 920                 | 5 707              | 1 142              | 9 769          | 5 648          | 600           | 972           | 2 548         | 9 768          | 5 515          | 4 253         | 9 768          |
| 2008         | 2 871                 | 5 603              | 1 203              | 9 677          | 5 604          | 599           | 865           | 2 609         | 9 677          | 5 441          | 4 235         | 9 676          |
| 2009         | 3 207                 | 5 544              | 1 294              | 10 045         | 6 088          | 650           | 777           | 2 530         | 10 045         | 5 725          | 4 321         | 10 046         |
| 2010         | 2 779                 | 5 983              | 1 332              | 10 094         | 6 279          | 650           | 785           | 2 380         | 10 094         | 5 767          | 4 327         | 10 094         |
| 2011         | 3 102                 | 6 198              | 1 049              | 10 349         | 6 690          | 639           | 859           | 2 161         | 10 349         | 5 977          | 4 372         | 10 349         |
| 2012         | 3 268                 | 6 198              | 979                | 10 445         | 6 998          | 597           | 837           | 2 013         | 10 445         | 6 026          | 4 419         | 10 445         |
| 2013         | 3 271                 | 6 366              | 1 078              | 10 715         | 7 146          | 598           | 868           | 2 103         | 10 715         | 6 180          | 4 535         | 10 715         |
| 2014         | 3 046                 | 6 329              | 1 364              | 10 739         | 7 450          | 596           | 782           | 1 913         | 10 739         | 6 269          | 4 471         | 10 739         |
| 2015         | 3 116                 | 7 081              | 1 326              | 11 523         | 8 126          | 637           | 832           | 1 930         | 11 523         | 6 699          | 4 824         | 11 523         |
| 2016         | 3 771                 | 7 398              | 952                | 12 121         | 8 595          | 632           | 846           | 2 049         | 12 121         | 7 093          | 5 028         | 12 121         |
| 2017         | 4 399                 | 7 430              | 1 188              | 13 017         | 9 462          | 665           | 961           | 1 929         | 13 017         | 7 692          | 5 325         | 13 017         |
| 2018         | 4 366                 | 6 976              | 1 286              | 12 627         | 9 249          | 665           | 853           | 1 860         | 12 627         | 7 630          | 4 997         | 12 627         |
| 2019         | 4 462                 | 7 069              | 1 342              | 12 873         | 9 467          | 686           | 837           | 1 882         | 12 873         | 7 782          | 5 091         | 12 873         |
| <b>Total</b> | <b>63 057</b>         | <b>108 558</b>     | <b>20 846</b>      | <b>192 461</b> | <b>122 673</b> | <b>11 194</b> | <b>15 672</b> | <b>42 924</b> | <b>192 458</b> | <b>110 166</b> | <b>82 292</b> | <b>192 457</b> |
| <b>AAG</b>   | <b>3%</b>             | <b>4%</b>          | <b>12%</b>         | <b>4%</b>      | <b>6%</b>      | <b>2%</b>     | <b>1%</b>     | <b>-1%</b>    | <b>4%</b>      | <b>5%</b>      | <b>2%</b>     | <b>4%</b>      |

\* Due to rounding, totals may vary.

Source: Department of Higher Education and Training, HEMIS, 2020.

The study field called "Other Business and Commerce" includes:

- 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.



Significantly more national diplomas and first degrees were awarded in this study field (Table 4-3) than in Accounting. The Three-year first degrees grew steadily at an annual average of 9% per year between 2001 – 2016 and then decreased in 2017 by 15%, with a further decrease of 9% and 4% seen in 2018 and 2019 respectively. The Four-year degree also steadily grew at an average of 8% for the period 2001 – 2013, after which a three-year decline of on average 8% per year was recorded between 2014 and 2016. For the period 2017 – 2019, four-year first degrees have seen a gradual increase in completions.

**Table 4-3 Other business and commerce: National Diplomas and First Degrees by qualification type, population group and gender: 2001 to 2019**

| Year         | Type of qualification |                    |                    |                | Race           |               |               |               |                | Gender         |                |                |
|--------------|-----------------------|--------------------|--------------------|----------------|----------------|---------------|---------------|---------------|----------------|----------------|----------------|----------------|
|              | National Diplomas     | 1st Degrees (3yrs) | 1st Degrees (4yrs) | Total          | African        | Coloured      | Indian        | White         | Total          | Female         | Male           | Total          |
| 2001         | 4 670                 | 2 610              | 1 988              | 9 268          | 5 131          | 656           | 511           | 2 971         | 9 268          | 4 875          | 4 394          | 9 268          |
| 2002         | 4 943                 | 2 976              | 1 920              | 9 839          | 5 257          | 733           | 655           | 3 194         | 9 839          | 5 305          | 4 534          | 9 839          |
| 2003         | 5 675                 | 3 329              | 2 103              | 11 107         | 6 265          | 788           | 801           | 3 253         | 11 107         | 6 163          | 4 944          | 11 107         |
| 2004         | 5 422                 | 2 676              | 2 125              | 10 223         | 6 344          | 705           | 662           | 2 512         | 10 223         | 5 811          | 4 412          | 10 223         |
| 2005         | 5 131                 | 3 897              | 2 669              | 11 697         | 6 525          | 848           | 1 046         | 3 278         | 11 697         | 6 670          | 5 027          | 11 697         |
| 2006         | 5 736                 | 4 490              | 2 146              | 12 372         | 7 373          | 890           | 986           | 3 123         | 12 372         | 7 278          | 5 094          | 12 371         |
| 2007         | 5 862                 | 4 354              | 2 607              | 12 823         | 7 879          | 951           | 1 021         | 2 973         | 12 824         | 7 454          | 5 370          | 12 824         |
| 2008         | 6 367                 | 4 791              | 2 707              | 13 865         | 8 668          | 1 057         | 1 107         | 3 033         | 13 865         | 8 139          | 5 726          | 13 865         |
| 2009         | 6 640                 | 5 306              | 3 185              | 15 131         | 9 643          | 1 151         | 1 104         | 3 233         | 15 131         | 8 989          | 6 142          | 15 131         |
| 2010         | 6 371                 | 5 880              | 3 595              | 15 846         | 9 866          | 1 183         | 1 121         | 3 677         | 15 847         | 9 314          | 6 533          | 15 847         |
| 2011         | 7 785                 | 6 150              | 3 905              | 17 840         | 11 676         | 1 251         | 1 223         | 3 690         | 17 840         | 10 554         | 7 286          | 17 840         |
| 2012         | 7 969                 | 6 353              | 4 252              | 18 574         | 12 688         | 1 296         | 1 154         | 3 436         | 18 574         | 11 210         | 7 364          | 18 574         |
| 2013         | 8 126                 | 7 493              | 4 445              | 20 064         | 13 921         | 1 318         | 1 328         | 3 497         | 20 064         | 11 949         | 8 115          | 20 064         |
| 2014         | 8 083                 | 7 407              | 4 332              | 19 822         | 13 893         | 1 350         | 1 263         | 3 315         | 19 821         | 11 716         | 8 106          | 19 822         |
| 2015         | 8 346                 | 7 475              | 4 166              | 19 987         | 14 324         | 1 250         | 1 207         | 3 206         | 19 987         | 8 163          | 11 824         | 19 987         |
| 2016         | 7 248                 | 8 659              | 3 491              | 19 399         | 13 620         | 1 364         | 1 152         | 3 264         | 19 399         | 13 381         | 6 018          | 19 399         |
| 2017         | 8 157                 | 7 365              | 4 152              | 19 674         | 14 741         | 1 217         | 1 011         | 2 705         | 19 674         | 11 812         | 7 862          | 19 674         |
| 2018         | 8 399                 | 6 733              | 4 053              | 19 185         | 15 180         | 1 143         | 902           | 1 961         | 19 185         | 11 303         | 7 882          | 19 185         |
| 2019         | 8 629                 | 6 451              | 4 203              | 19 283         | 15 378         | 1 053         | 735           | 2 118         | 19 283         | 11 605         | 7 678          | 19 283         |
| <b>Total</b> | <b>129 560</b>        | <b>104 396</b>     | <b>62 044</b>      | <b>295 999</b> | <b>198 371</b> | <b>20 203</b> | <b>18 989</b> | <b>58 438</b> | <b>296 000</b> | <b>171 692</b> | <b>124 310</b> | <b>296 000</b> |
| <b>AAG</b>   | <b>4%</b>             | <b>6%</b>          | <b>5%</b>          | <b>4%</b>      | <b>6%</b>      | <b>3%</b>     | <b>3%</b>     | <b>-1%</b>    | <b>4%</b>      | <b>6%</b>      | <b>5%</b>      | <b>4%</b>      |

\* Totals in the different breakdowns may vary because of rounding of HEMIS data.

Source: Department of Higher Education and Training, HEMIS, 2020.

### 4.3.2 Post Graduate Diplomas and Honours Degrees

After a steady increase in Post-Graduate Diplomas being awarded for Accounting from 2001 (614) to a peak of 1 068 in 2012, the numbers have continuously decreased to a total of just 345 (2019). In comparison, Honours Degrees awarded have increased at 5% per annum over the period 2001 to 2019. In 2019, Honours Degrees made up 92% of the total post graduate diplomas and honours degrees in Accounting. In 2001, the majority of the postgraduate diplomas and honours degrees in the Accounting and related fields were awarded to white people (67%). With the transformation of the sector, this has gradually changed over time, with Black people (African, Coloured and Indian) making up 71% of diplomas and honours degrees awarded.

**Table 4-4 Accounting: Post-Graduate Diplomas and Honours Degrees by qualification type, population group and gender: 2001 to 2019**

| Year         | Type of qualification  |                 |               | Race          |              |              |               |               | Gender        |               |               |
|--------------|------------------------|-----------------|---------------|---------------|--------------|--------------|---------------|---------------|---------------|---------------|---------------|
|              | Post-graduate Diplomas | Honours Degrees | Total         | African       | Coloured     | Indian       | White         | Total         | Female        | Male          | Total         |
|              | N                      | N               | N             | N             | N            | N            | N             | N             | N             | N             | N             |
| 2001         | 614                    | 2 168           | 2 782         | 431           | 100          | 381          | 1 870         | 2 782         | 1 223         | 1 559         | 2 782         |
| 2002         | 646                    | 2 536           | 3 182         | 646           | 135          | 370          | 2 031         | 3 182         | 1 411         | 1 771         | 3 182         |
| 2003         | 677                    | 2 513           | 3 190         | 639           | 131          | 436          | 1 984         | 3 190         | 1 449         | 1 741         | 3 190         |
| 2004         | 474                    | 1 746           | 2 220         | 427           | 94           | 286          | 1 413         | 2 220         | 1 050         | 1 170         | 2 220         |
| 2005         | 491                    | 2 533           | 3 024         | 649           | 138          | 397          | 1 840         | 3 024         | 1 453         | 1 571         | 3 024         |
| 2006         | 512                    | 2 414           | 2 926         | 614           | 145          | 417          | 1 750         | 2 926         | 1 472         | 1 454         | 2 926         |
| 2007         | 617                    | 2 301           | 2 918         | 556           | 150          | 365          | 1 847         | 2 918         | 1 498         | 1 420         | 2 918         |
| 2008         | 620                    | 2 282           | 2 902         | 674           | 164          | 417          | 1 647         | 2 902         | 1 435         | 1 467         | 2 902         |
| 2009         | 746                    | 1 923           | 2 669         | 707           | 150          | 377          | 1 435         | 2 669         | 1 348         | 1 321         | 2 669         |
| 2010         | 1 047                  | 2 393           | 3 440         | 1 175         | 213          | 475          | 1 577         | 3 440         | 1 758         | 1 682         | 3 440         |
| 2011         | 941                    | 2 496           | 3 437         | 1 193         | 221          | 484          | 1 539         | 3 437         | 1 734         | 1 703         | 3 437         |
| 2012         | 1 068                  | 2 505           | 3 573         | 1 304         | 244          | 475          | 1 550         | 3 573         | 1 831         | 1 742         | 3 573         |
| 2013         | 1 014                  | 2 796           | 3 810         | 1 592         | 237          | 502          | 1 478         | 3 809         | 2 036         | 1 774         | 3 810         |
| 2014         | 853                    | 3 272           | 4 125         | 1 800         | 240          | 609          | 1 477         | 4 126         | 2 221         | 1 904         | 4 125         |
| 2015         | 974                    | 3 610           | 4 584         | 2 237         | 270          | 591          | 1 486         | 4 584         | 2 080         | 2 504         | 4 584         |
| 2016         | 530                    | 3 306           | 3 836         | 1 884         | 248          | 422          | 1 283         | 3 836         | 2 168         | 1 669         | 3 836         |
| 2017         | 527                    | 3 791           | 4 318         | 2 119         | 281          | 524          | 1 395         | 4 318         | 2 414         | 1 904         | 4 318         |
| 2018         | 319                    | 4 649           | 4 968         | 2 527         | 319          | 550          | 1 571         | 4 968         | 2 799         | 2 169         | 4 968         |
| 2019         | 345                    | 4 215           | 4 560         | 2 380         | 300          | 549          | 1 331         | 4 560         | 2 677         | 1 883         | 4 560         |
| <b>Total</b> | <b>13 015</b>          | <b>53 449</b>   | <b>66 464</b> | <b>23 553</b> | <b>3 780</b> | <b>8 626</b> | <b>30 504</b> | <b>66 464</b> | <b>34 056</b> | <b>32 407</b> | <b>66 464</b> |
| <b>AAG</b>   | <b>-1%</b>             | <b>5%</b>       | <b>4%</b>     | <b>13%</b>    | <b>8%</b>    | <b>4%</b>    | <b>-1%</b>    | <b>4%</b>     | <b>5%</b>     | <b>3%</b>     | <b>4%</b>     |

\* Due to rounding, totals may vary. Source: Department of Higher Education and Training, HEMIS, 2020.

In the Commerce, business management and business administration category, there has also been a significant decreased in postgraduate diplomas completed for the period 2001 – 2019, with the total for 2019 (891) returning to levels recorded at the beginning of the period. There has, however, been an increase in the number of honours degrees completed for the period, particularly since 2016. Annual output of honours degrees grew from 1 026 in 2001 to 6 011 in 2019, an average annual increase of 12% over the period under review.

**Table 4-5 Other business and commerce: Post Graduate Diplomas and First Degrees by qualification type, population group and gender: 2001 to 2019**

| Year         | Type of qualification  |                 |               | Race          |              |              |               |               | Gender        |               |               |
|--------------|------------------------|-----------------|---------------|---------------|--------------|--------------|---------------|---------------|---------------|---------------|---------------|
|              | Post-graduate Diplomas | Honours Degrees | Total         | African       | Coloured     | Indian       | White         | Total         | Female        | Male          | Total         |
|              | N                      | N               | N             | N             | N            | N            | N             | N             | N             | N             | N             |
| 2001         | 816                    | 1 026           | 1 842         | 557           | 100          | 231          | 954           | 1 842         | 861           | 981           | 1 842         |
| 2002         | 989                    | 1 003           | 1 992         | 658           | 113          | 325          | 896           | 1 992         | 920           | 1 071         | 1 991         |
| 2003         | 992                    | 1 110           | 2 102         | 672           | 149          | 342          | 939           | 2 102         | 1 006         | 1 096         | 2 102         |
| 2004         | 885                    | 1 246           | 2 131         | 685           | 141          | 292          | 1 013         | 2 131         | 1 028         | 1 103         | 2 131         |
| 2005         | 819                    | 1 262           | 2 081         | 637           | 140          | 199          | 1 105         | 2 081         | 1 075         | 1 006         | 2 081         |
| 2006         | 873                    | 1 071           | 1 944         | 652           | 125          | 197          | 970           | 1 944         | 1 076         | 868           | 1 944         |
| 2007         | 956                    | 1 118           | 2 074         | 776           | 147          | 213          | 938           | 2 074         | 1 213         | 861           | 2 074         |
| 2008         | 892                    | 1 188           | 2 080         | 710           | 150          | 232          | 988           | 2 080         | 1 123         | 957           | 2 080         |
| 2009         | 1 126                  | 1 419           | 2 545         | 995           | 227          | 266          | 1 057         | 2 545         | 1 432         | 1 113         | 2 545         |
| 2010         | 1 463                  | 2 010           | 3 473         | 1 168         | 267          | 346          | 1 692         | 3 473         | 1 829         | 1 644         | 3 473         |
| 2011         | 1 502                  | 2 106           | 3 608         | 1 399         | 248          | 337          | 1 624         | 3 608         | 1 899         | 1 709         | 3 608         |
| 2012         | 1 923                  | 1 981           | 3 904         | 1 569         | 268          | 339          | 1 728         | 3 904         | 2 062         | 1 842         | 3 904         |
| 2013         | 1 593                  | 3 068           | 4 661         | 2 203         | 309          | 452          | 1 697         | 4 661         | 2 550         | 2 111         | 4 661         |
| 2014         | 1 995                  | 3 159           | 5 154         | 2 604         | 352          | 487          | 1 711         | 5 154         | 2 816         | 2 339         | 5 155         |
| 2015         | 2 095                  | 2 906           | 5 001         | 2 625         | 307          | 520          | 1 549         | 5 001         | 2 297         | 2 704         | 5 001         |
| 2016         | 2 376                  | 4 069           | 6 445         | 3 350         | 377          | 603          | 2 116         | 6 445         | 3 653         | 2 792         | 6 445         |
| 2017         | 1 465                  | 5 152           | 6 617         | 3 653         | 377          | 653          | 1 934         | 6 617         | 3 468         | 3 150         | 6 617         |
| 2018         | 1 131                  | 5 697           | 6 828         | 4 307         | 415          | 631          | 1 475         | 6 828         | 3 564         | 3 264         | 6 828         |
| 2019         | 891                    | 6 011           | 6 902         | 4 278         | 409          | 568          | 1 647         | 6 902         | 3 672         | 3 230         | 6 902         |
| <b>Total</b> | <b>24 782</b>          | <b>46 602</b>   | <b>71 384</b> | <b>33 497</b> | <b>4 621</b> | <b>7 233</b> | <b>26 033</b> | <b>71 384</b> | <b>37 543</b> | <b>33 841</b> | <b>71 384</b> |
| <b>AAG</b>   | <b>2%</b>              | <b>12%</b>      | <b>8%</b>     | <b>13%</b>    | <b>9%</b>    | <b>6%</b>    | <b>4%</b>     | <b>8%</b>     | <b>10%</b>    | <b>8%</b>     | <b>8%</b>     |

Source: Department of Higher Education and Training, HEMIS, 2020.

### 4.3.3 Masters' and Doctoral Degrees

Table 4-6 shows the number of Masters' and Doctoral degrees awarded by public higher education institutions in South Africa from 2001 to 2019 for both the Accounting and Other business and commerce categories. The number of Masters' graduates in Accounting fluctuated between 2001 and 2007, but has seen a steady increase since 2012 with a record number of 289 master degrees achieved in 2019. For the Other business and Commerce, category, the number of Masters' degrees awarded has steadily increased from 2001 to 2017 at an average rate of 4% per annum over that period. Since the peak in 2017 (2 504), the numbers have slightly decreased to a total of 2 358 in 2019.

Over the sixteen-year period, there has been an increase in both the Accounting related Doctoral Degrees and Doctoral Commence, business management and business administration degrees. In 2019 a record number of Accounting Doctoral Degrees were recorded (32). The Commence, business management and business administration Doctoral degrees peaked at 292 in 2017, decreasing over the period 2018 and 2019 to 211 degrees.

**Table 4-6 Accounting and other business and commerce: Master's and Doctoral Degrees 2001 to 2019**

| Year         | Masters degrees: Accounting & related fields | Masters degrees: Commerce, business management & business administration fields | Doctoral degrees: Accounting & related fields | Doctoral degrees: Commerce, business management & business administration fields |
|--------------|--|---|---|--|
| 2001         | 66   | 1 472   | 6   | 20   |
| 2002         | 124  | 1 453   | 2   | 40   |
| 2003         | 88   | 1 449   | 10  | 53   |
| 2004         | 230  | 1 050   | 4   | 54   |
| 2005*        | 134  | 1 384   | 2   | 48   |
| 2006         | 175  | 1 332   | 5   | 43   |
| 2007         | 244  | 1 506   | 11  | 58   |
| 2008         | 178  | 1 388   | 9   | 68   |
| 2009         | 182  | 1 349   | 4   | 58   |
| 2010         | 123  | 1 648   | 7   | 63   |
| 2011         | 147  | 1 925   | 5   | 82   |
| 2012         | 189  | 1 982   | 6   | 102  |
| 2013         | 199  | 1 919   | 6   | 102  |
| 2014         | 207  | 1 990   | 9   | 119  |
| 2015         | 220  | 2 167   | 12  | 173  |
| 2016         | 218  | 2 128   | 27  | 195  |
| 2017         | 261  | 2 504   | 20  | 292  |
| 2018         | 270  | 2 375   | 17  | 266  |
| 2019         | 289  | 2 358   | 32  | 211  |
| <b>Total</b> | <b>3 543</b>                                 | <b>33 378</b>   | <b>194</b>                                    | <b>2 047</b>   |
| <b>AAG</b>   | <b>16%</b>                                   | <b>3%</b>   | <b>41%</b>                                    | <b>17%</b>   |

\* Including Universities of Technology. Source: Department of Higher Education and Training, HEMIS, 2020

## 4.4 PROFESSIONAL TRAINING OF CA(SA)S

An undergraduate qualification at a SAICA-accredited university is the first step towards becoming a chartered accountant. This is followed by the completion of a SAICA-accredited Postgraduate Diploma in Accounting (PGDA), previously known as the Theory of Accounting (CTA) programme, or equivalent on NQF level 8 that allows access into the first of two qualifying examinations: the first being SAICA's Initial Test of Competence (ITC) previously known as Part I of the Qualifying Examination. Previously this was followed by a Part II examination, which was replaced in 2014 by the Assessment of Professional Competence (APC).

### 4.4.1 Postgraduate Diploma in Accounting (PGDA)

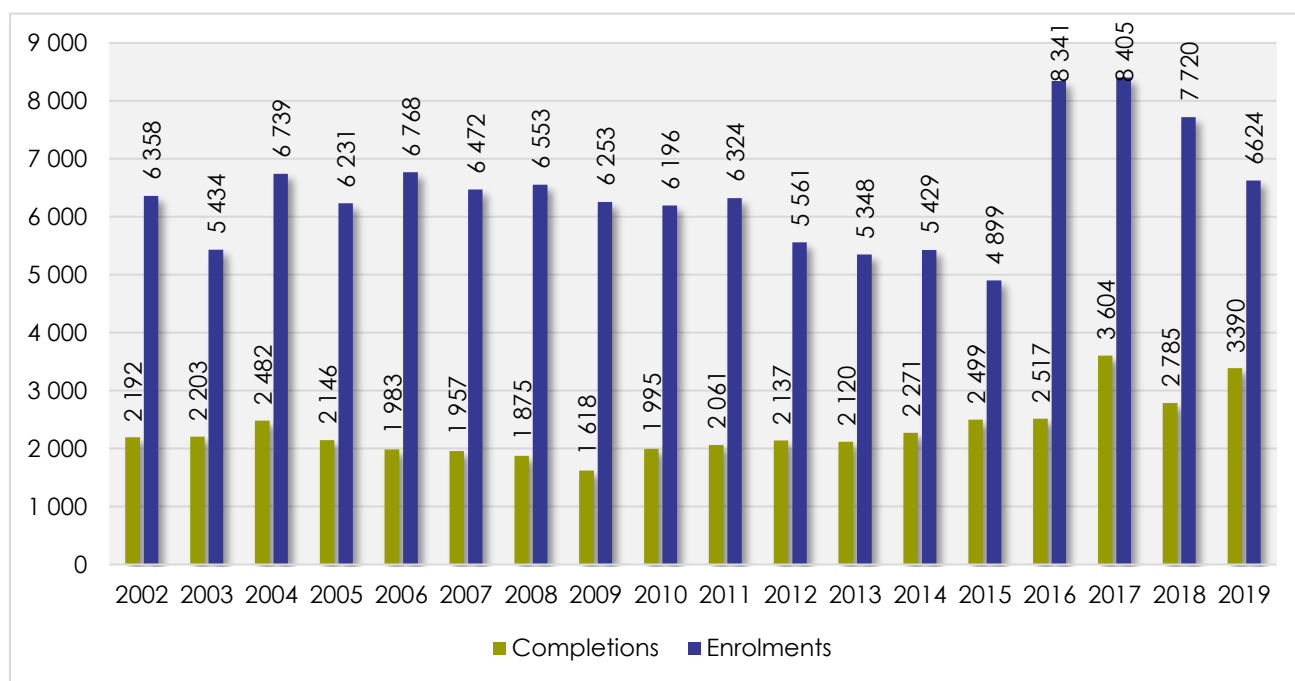
Figure 4-1 portrays the total number of PGDA enrolments and completions from 2002 to 2019. There is a significant difference between the number of enrolments versus completions in every year for the period presented. After remaining below 40% for a decade, the pass rate of candidates in 2014 rose to 41%, and then saw a substantial increase in throughput when the rate of in of completions jumped to 51% in 2015, but this is explained to some degree by the 10% increase in the number of completions.

Notwithstanding the sharp increase in enrolments from 4 899 in 2015 to 8 341 in 2016, there was a further small increase of enrolments to 8405 in 2017, but this number has been steadily decreasing since. Completions in 2019 also drastically increased by 22% since 2018, even though enrolments fell by 14%. After 2015, the pass rate fell back to its usual range, but matched the 51% throughput again in 2019.

A total of 120 929 PGDA enrolments were recorded since 2002. Of these, 46 411 (38%) were African, 7 456 (6%) coloured, 19 192 (16%) Indian, and 434 23 (36%) were white, while 60 929 (50%) were female and 60 000 (50%) male. Table 4-3 and 4-4 shows the population group distributions in more detail. In 2020, enrolments decreased by 20% across all candidates, with Indian enrolments reducing the most (47%) and coloureds the least (12%) between 2019 and 2020.

With the decrease in enrolments, the number of successful passes has also decreased. In 2017, 23% of Blacks, 33% of Coloured, 32% of Indians and 48% of Whites successfully completed the PGDA exam. Although the number of female and male enrolments for PGDA dropped from 2002 to 2015, a drastic increase in enrolments was seen in 2016. The increase in the PGDA enrolments is due to the increase of enrolments at UNISA into the PGDA level 2 programme in 2016. The PGDA enrolments increased again in 2017 (8 405) across gender, however, it dropped by 8% (685) in 2018.

The number of female completions for the period 2016 – 2017 showed an increase over the from 1 382 to 1 656. Male completions also increased for the review period from 1 135 to 1 408 in 2017 (Table 4-5).



**Figure 4-1: PGDA Programme Enrolments and Completions, 2002-2019**

**Table 4-3: PGDA Programme Enrolments and Completions, 2002-2019**

| Status      | 2002  | 2003  | 2004  | 2005  | 2006  | 2007  | 2008  | 2009  | 2010  | 2011  | 2012  | 2013  | 2014  | 2015  | 2016  | 2017  | 2018  | 2019  |
|-------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Completions | 2 192 | 2 203 | 2 482 | 2 146 | 1 983 | 1 957 | 1 875 | 1 618 | 1 995 | 2 061 | 2 137 | 2 120 | 2 271 | 2 499 | 2 517 | 3 604 | 2 785 | 3 390 |
| Enrolments  | 6 358 | 5 434 | 6 739 | 6 231 | 6 768 | 6 472 | 6 553 | 6 253 | 6 196 | 6 324 | 5 561 | 5 348 | 5 429 | 4 899 | 8 341 | 8 405 | 7 720 | 6 624 |

Source: SAICA database, 2020

**Table 4-4: PGDA Enrolments and completions according to population group 2002 - 2020**

| Race             | Status      |   | 2002  | 2003  | 2004  | 2005  | 2006  | 2007  | 2008  | 2009  | 2010  | 2011  | 2012  | 2013  | 2014  | 2015  | 2016  | 2017  | 2018  | 2019 | 2020 |
|------------------|-------------|---|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|------|------|
| African          | Enrolments  | N | 1 636 | 1 401 | 1 912 | 1 862 | 1 981 | 1 915 | 2 013 | 2 114 | 2 157 | 2 453 | 2 259 | 2 152 | 2 174 | 2 018 | 4 036 | 4 221 | 4 081 | 3242 | 2832 |
|                  | Completions | N | 300   | 371   | 428   | 351   | 299   | 320   | 326   | 323   | 442   | 520   | 602   | 617   | 720   | 788   | 818   | 1 187 | 1 343 | 1341 |      |
|                  | Pass rate   | % | 18    | 26    | 22    | 19    | 15    | 17    | 16    | 15    | 20    | 21    | 27    | 29    | 33    | 39    | 20    | 28    | 33    | 41   |      |
| Coloured         | Enrolments  | N | 386   | 248   | 371   | 350   | 400   | 414   | 386   | 390   | 391   | 430   | 384   | 364   | 339   | 283   | 566   | 502   | 492   | 403  | 356  |
|                  | Completions | N | 102   | 79    | 98    | 111   | 103   | 110   | 110   | 93    | 122   | 151   | 162   | 142   | 144   | 134   | 171   | 187   | 182   | 193  |      |
|                  | Pass rate   | % | 26    | 32    | 26    | 32    | 26    | 27    | 28    | 24    | 31    | 35    | 42    | 39    | 42    | 47    | 30    | 37    | 37    | 48   |      |
| Indian           | Enrolments  | N | 1 050 | 1 010 | 1 119 | 1 108 | 1 227 | 1 139 | 1 272 | 1 187 | 1 148 | 1 067 | 892   | 904   | 885   | 692   | 1 192 | 1 085 | 1 090 | 819  | 438  |
|                  | Completions | N | 337   | 391   | 343   | 296   | 331   | 289   | 329   | 303   | 358   | 313   | 310   | 339   | 419   | 368   | 354   | 427   | 447   | 463  |      |
|                  | Pass rate   | % | 32    | 39    | 31    | 27    | 27    | 25    | 26    | 26    | 31    | 29    | 35    | 38    | 47    | 53    | 30    | 39    | 41    | 57   |      |
| White            | Enrolments  | N | 3 286 | 2 775 | 3 337 | 2 911 | 2 956 | 2 824 | 2 620 | 2 305 | 2 267 | 2 193 | 1 844 | 1 660 | 1 694 | 1 610 | 2 239 | 2 175 | 1 971 | 1565 | 1191 |
|                  | Completions | N | 1 453 | 1 362 | 1 613 | 1 388 | 1 250 | 1 238 | 1 110 | 899   | 1 073 | 1 077 | 1 063 | 1 022 | 988   | 1 030 | 1 023 | 1 152 | 1 245 | 1086 |      |
|                  | Pass rate   | % | 44    | 49    | 48    | 48    | 42    | 44    | 42    | 39    | 47    | 49    | 58    | 62    | 58    | 64    | 46    | 53    | 63    | 69   |      |
| Non SA Citizens* | Enrolments  | N |       |       |       |       | 204   | 180   | 262   | 257   | 233   | 181   | 182   | 268   | 337   | 296   | 308   | 422   | 320   | 595  | 457  |
|                  | Completions | N |       |       |       |       | 59    | 47    | 78    | 75    | 72    | 67    | 83    | 130   | 164   | 179   | 151   | 209   | 158   | 307  |      |
|                  | Pass rate   | % |       |       |       |       | 29    | 26    | 30    | 29    | 31    | 37    | 46    | 49    | 49    | 60    | 49    | 50    | 49    | 52   |      |
| Total            | Enrolments  | N | 6 358 | 5 434 | 6 739 | 6 231 | 6 768 | 6 472 | 6 553 | 6 253 | 6 196 | 6 324 | 5 561 | 5 348 | 5 429 | 4 899 | 8 341 | 8 405 | 7 954 | 6624 | 5274 |
|                  | Completions | N | 2 192 | 2 203 | 2 482 | 2 146 | 1 983 | 1 957 | 1 875 | 1 618 | 1 995 | 2 061 | 2 137 | 2 120 | 2 271 | 2 499 | 2 517 | 3 162 | 3 375 | 3390 |      |
|                  | Pass rate   | % | 34    | 41    | 37    | 34    | 30    | 31    | 30    | 27    | 33    | 34    | 40    | 42    | 45    | 51    | 30    | 38    | 42    | 51   |      |

\* No data on non-South African citizens before 2006. Population group unknown.

Source: SAICA database, 2021.

**Table 4-5: PGDA: Enrolments and completions according to gender 2002 – 2020**

| Gender | Registration |   | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017  | 2018  | 2019  | 2020  |
|--------|--------------|---|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|-------|-------|-------|-------|
| Female | Enrolments   | N | 2743 | 1516 | 3145 | 2963 | 3347 | 3243 | 3302 | 3116 | 3092 | 3147 | 2799 | 2753 | 2842 | 2585 | 4552 | 4 644 | 4 446 | 3 785 | 3 008 |
|        | Comple-tions | N | 1004 | 706  | 1167 | 1056 | 1070 | 1019 | 971  | 830  | 1045 | 1041 | 1116 | 1141 | 1288 | 1334 | 1382 | 1 656 | 1 845 | 1 898 |       |
|        | Pass rate    | % | 37   | 47   | 37   | 36   | 32   | 31   | 29   | 27   | 34   | 33   | 40   | 41   | 45   | 52   | 30   | 36    | 41    | 50    |       |
| Male   | Enrolments   | N | 3615 | 3918 | 3594 | 3268 | 3421 | 3229 | 3251 | 3137 | 3104 | 3177 | 2762 | 2595 | 2587 | 2314 | 3789 | 3 761 | 3 508 | 2 839 | 2 266 |
|        | Comple-tions | N | 1188 | 1497 | 1315 | 1090 | 972  | 985  | 982  | 863  | 1022 | 1087 | 1104 | 1109 | 1147 | 1165 | 1135 | 1 408 | 1 530 | 1 492 |       |
|        | Pass rate    | % | 33   | 38   | 37   | 33   | 28   | 31   | 30   | 28   | 33   | 34   | 40   | 43   | 44   | 50   | 30   | 37    | 44    | 53    |       |
| Total  | Enrolments   | N | 6358 | 5434 | 6739 | 6231 | 6768 | 6472 | 6553 | 6253 | 6196 | 6324 | 5561 | 5348 | 5429 | 4899 | 8341 | 8 405 | 7 954 | 6 624 | 5 274 |
|        | Comple-tions | N | 2192 | 2203 | 2482 | 2146 | 2042 | 2004 | 1953 | 1693 | 2067 | 2128 | 2220 | 2250 | 2435 | 2499 | 2517 | 3 064 | 3 375 | 3 390 |       |
|        | Pass rate    | % | 34   | 41   | 37   | 34   | 30   | 31   | 30   | 27   | 33   | 34   | 40   | 42   | 45   | 51   | 30   | 36    | 42    | 51    |       |

Source: SAICA database, 2021.

#### 4.4.2 ITC and APC examinations

The qualifying exam in the CA qualification is split into two parts: the Initial Test of Competence (ITC) previously known as Part I of the qualifying exam (or QE1), is followed by the Assessment of Professional Competence (APC) previously known as Part 2 of the qualifying exam (or QE2).

The ITC is the standard setting exam which is written after the completion of an accredited PGDA and is an assessment of core technical competence. The APC assesses professional competence, and to qualify for this final assessment, candidates must have successfully completed the ITC, 20 months of a registered training contract and a professional programme.

This section starts with a discussion of the ITC and APC exams in terms of total enrolments, total passes and pass rates. This is followed by an analysis of candidates by race and gender.

From 2002 to 2020, the number of enrolments for the ITC increased on average by 4% per year and passes averaged an increase of 3% per year over the period (Table 4-6). In 2020 a total of 5 681 candidates wrote the exam with 2 590 (46%) passing. This is a decrease of 14% from 2019. The number of candidates who wrote the exam increased by 23% from 4 623 in 2019.

Due to the Covid-19 pandemic and national lockdown in 2020, SAICA announced that the APC will be postponed, and consequently candidates only completed the 2020 APC on 17 Feb 2021. Results for this exam will only be released on 23 April 2021 and is therefore not included in this report.

Since its introduction, the APC candidate enrolments have steadily increased. In 2019, the highest number of candidates to date enrolled in the APC examinations, i.e. 3 560 candidates. In terms of achievements, only 2 024 (57%) achieved a pass. This the lowest achievement since the 2014 and a 12% decreased from 2018-2019.

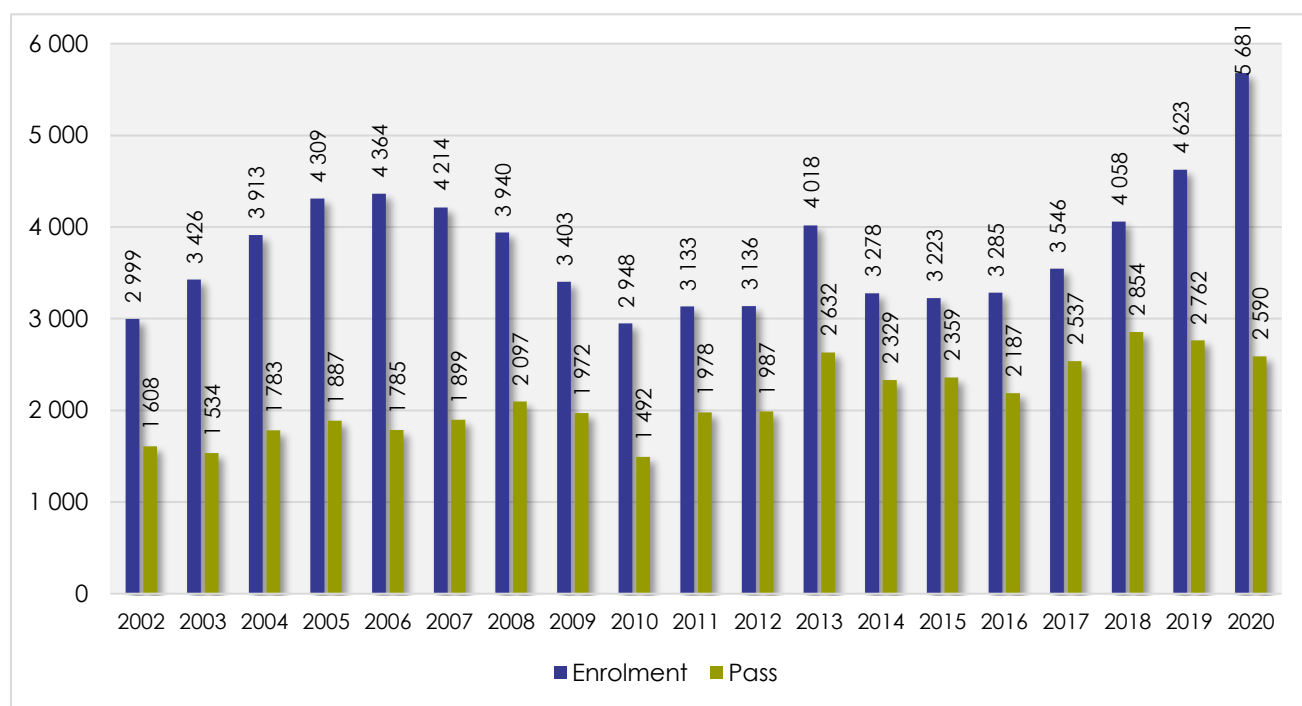


Figure 4-2: ITC: Enrolments and passes, 2002-2020



**Table 4-6: ITC: Enrolments and passes, 2002-2019**

| Year         | Enrolment | Pass     |
|--------------|-----------|----------|
| 2002         | 2 999     | 1 608    |
| 2003         | 3 426     | 1 534    |
| 2004         | 3 913     | 1 783    |
| 2005         | 4 309     | 1 887    |
| 2006         | 4 364     | 1 785    |
| 2007         | 4 214     | 1 899    |
| 2008         | 3 940     | 2 097    |
| 2009         | 3 403     | 1 972    |
| 2010         | 2 948     | 1 492    |
| 2011         | 3 133     | 1 978    |
| 2012         | 3 136     | 1 987    |
| 2013         | 4 018     | 2 632    |
| 2014         | 3 278     | 2 329    |
| 2015         | 3 223     | 2 359    |
| 2016         | 3 285     | 2 187    |
| 2017         | 3 546     | 2 537    |
| 2018         | 4 058     | 2 854    |
| 2019         | 4 623     | 2 762    |
| 2020         | 5 681     | 2590     |
| <b>AAG %</b> | <b>4</b>  | <b>3</b> |

Source: SAICA database, 2020 & UE:NIKELA calculations.

Table 4-7 shows a racial breakdown of enrolments for the ITC from 2010 to 20120 In total, 40 929 candidates have enrolled since 2010 for the ITC. The demographic split saw 38% of these were African, 7% coloured, 17% Indian, 38% white and 1% unprofiled.

The overall number of candidates across the racial pool increased by 23% from 2019 (4 623) to 2020 (5 681).

**Table 4-7: ITC Enrolments by population group: 2010-2020**

| Year              | African       | Coloured     | Indian       | White         | Other      | TOTAL         |
|-------------------|---------------|--------------|--------------|---------------|------------|---------------|
| 2010              | 702           | 181          | 600          | 1 451         | 14         | 2 948         |
| 2011              | 749           | 202          | 618          | 1 537         | 27         | 3 133         |
| 2012              | 854           | 218          | 622          | 1 416         | 26         | 3 136         |
| 2013              | 1 242         | 315          | 808          | 1 637         | 16         | 4 018         |
| 2014              | 1 083         | 238          | 557          | 1 390         | 10         | 3 278         |
| 2015              | 1 184         | 211          | 601          | 1 206         | 21         | 3 223         |
| 2016              | 1 307         | 203          | 552          | 1 215         | 8          | 3 285         |
| 2017              | 1 466         | 254          | 565          | 1 222         | 39         | 3 546         |
| 2018              | 1 843         | 261          | 607          | 1 333         | 14         | 4 058         |
| 2019              | 2 267         | 280          | 627          | 1 434         | 15         | 4 623         |
| 2020              | 2 964         | 331          | 832          | 1 534         | 20         | 5 681         |
| <b>Total</b>      | <b>15 661</b> | <b>2 694</b> | <b>6 989</b> | <b>15 375</b> | <b>210</b> | <b>40 929</b> |
| <b>% of TOTAL</b> | <b>38%</b>    | <b>7%</b>    | <b>17%</b>   | <b>38%</b>    | <b>1%</b>  | <b>100%</b>   |
| <b>AAG (%)</b>    | <b>15</b>     | <b>6</b>     | <b>3</b>     | <b>1</b>      | <b>4</b>   | <b>7</b>      |

Source: SAICA database, 2020 & UE:NIKELA calculations

**Table 4-8: Successful completion of the ITC by population: 2010- 2020**

| Year       |          | African   | Coloured | Indian   | White    | Other*   | Total    |
|------------|----------|-----------|----------|----------|----------|----------|----------|
| 2010       | N        | 323       | 88       | 248      | 833      | 0        | 1 492    |
|            | %        | 22        | 6        | 17       | 56       | 0        | 100      |
| 2011       | N        | 411       | 119      | 319      | 1 129    | 0        | 1 978    |
|            | %        | 21        | 6        | 16       | 57       | 0        | 100      |
| 2012       | N        | 483       | 125      | 323      | 1 056    | 0        | 1 987    |
|            | %        | 24        | 6        | 16       | 53       | 0        | 100      |
| 2013       | N        | 802       | 194      | 453      | 1 175    | 8        | 2 632    |
|            | %        | 30        | 7        | 17       | 45       | 0        | 100      |
| 2014       | N        | 738       | 154      | 359      | 1 070    | 8        | 2 329    |
|            | %        | 32        | 7        | 15       | 46       | 0        | 100      |
| 2015       | N        | 797       | 131      | 432      | 982      | 17       | 2 359    |
|            | %        | 34        | 6        | 18       | 42       | 1        | 100      |
| 2016       | N        | 737       | 122      | 320      | 1004     | 4        | 2 187    |
|            | %        | 34        | 6        | 15       | 46       | 0        | 100      |
| 2017       | N        | 935       | 179      | 382      | 1012     | 29       | 2 537    |
|            | %        | 37        | 7        | 15       | 40       | 1        | 100      |
| 2018       | N        | 1135      | 177      | 424      | 1106     | 12       | 2 854    |
|            | %        | 40        | 6        | 15       | 39       | 0        | 100      |
| 2019       | N        | 1098      | 150      | 384      | 1120     | 10       | 2 762    |
|            | %        | 40        | 5        | 14       | 41       | 0        | 100      |
| 2020       | N        | 1036      | 156      | 396      | 992      | 10       | 2590     |
|            | %        | 40        | 6        | 15       | 38       | 0        | 100      |
| <b>AAG</b> | <b>%</b> | <b>12</b> | <b>6</b> | <b>5</b> | <b>2</b> | <b>3</b> | <b>6</b> |

\*Non-South African and unknown race candidates.

Source: SAICA database, 2020 & UE:NIKELA calculations

A significant change took place in 2014 when the Assessment of Professional Competence (APC) replaced the Part II Financial Management and Public Practice Examinations (PPEs) and enrolments is therefore only reported for the years 2014 and 2019 (Table 4-10).

In total, 34 185 candidates enrolled for the Part II/APC since 2010 - 36% of these were African, 7% coloured, 17% Indian and 39% white and 1% with an unclassified race. African candidates who enrolled for the APC increased on average by 11% (from 702 in 2010 to 2 267 in 2019).

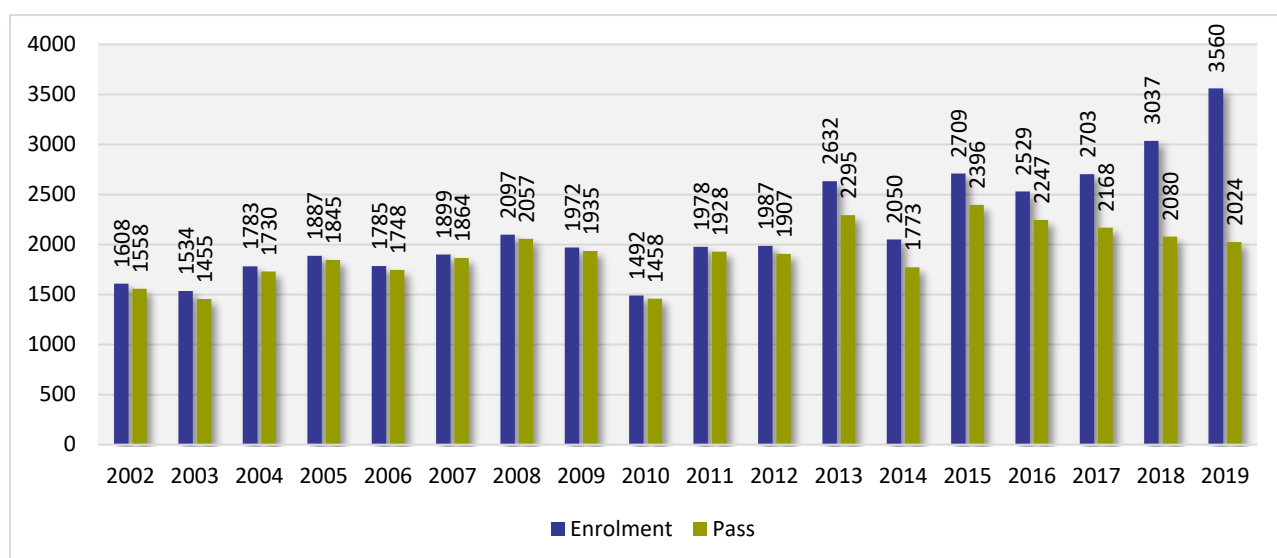


Figure 4-3: Part II (APC) exam: Enrolments and passes, 2002-2019

Table 4-9: Part II (APC) exam: Enrolments and passes, 2002-2019

| Year         | Enrolment | Pass     |
|--------------|-----------|----------|
| 2002         | 1 608     | 1 558    |
| 2003         | 1 534     | 1 455    |
| 2004         | 1 783     | 1 730    |
| 2005         | 1 887     | 1 845    |
| 2006         | 1 785     | 1 748    |
| 2007         | 1 899     | 1 864    |
| 2008         | 2 097     | 2 057    |
| 2009         | 1 972     | 1 935    |
| 2010         | 1 492     | 1 458    |
| 2011         | 1 978     | 1 928    |
| 2012         | 1 987     | 1 907    |
| 2013         | 2 632     | 2 295    |
| 2014         | 2 050     | 1 773    |
| 2015         | 2 709     | 2 396    |
| 2016         | 2 529     | 2 247    |
| 2017         | 2 703     | 2 168    |
| 2018         | 3 037     | 2 080    |
| 2019         | 3 560     | 2 024    |
| <b>AAG %</b> | <b>5</b>  | <b>2</b> |

Source: SAICA database, 2019 & UE:NIKELA calculations

Table 4-10: APC Part II exam: Enrolments by population group: 2014- 2019

| Year              | African      | Coloured     | Indian       | White        | Other*     | TOTAL         |
|-------------------|--------------|--------------|--------------|--------------|------------|---------------|
| 2014              | 581          | 141          | 310          | 1 005        | 13         | 2 050         |
| 2015              | 959          | 179          | 395          | 1 157        | 19         | 2 709         |
| 2016              | 872          | 141          | 461          | 1035         | 20         | 2 529         |
| 2017              | 1021         | 181          | 395          | 1 102        | 4          | 2 703         |
| 2018              | 1219         | 212          | 461          | 1142         | 3          | 3 037         |
| 2019              | 1639         | 206          | 496          | 1216         | 3          | 3 560         |
| <b>Total</b>      | <b>6 291</b> | <b>1 060</b> | <b>2 518</b> | <b>6 657</b> | <b>62</b>  | <b>16 588</b> |
| <b>% of TOTAL</b> | <b>38</b>    | <b>6</b>     | <b>15</b>    | <b>40</b>    | <b>0</b>   |               |
| <b>AAG %</b>      | <b>25</b>    | <b>10</b>    | <b>11</b>    | <b>4</b>     | <b>-11</b> | <b>12</b>     |

\*Non-South African and unknown race candidates

Source: SAICA database, 2019

From 2014 to 2019 the number of APC enrolments increased from 2 050 to 3 560 at an average annual rate of 12% (Table 4-10). A total of 6 291 candidates enrolled for the APC since its inception, 38% are African, 6% are Coloured, 15% are Indian, 40% are white. The number of African candidates who enrolled increased by 2% for the period 2018 to 2019.

**Table 4-11: Successful completion of the Part II exam by population group: 2014- 2019**

| Year       |          | African   | Coloured  | Indian   | White    | Other*     | Total    |
|------------|----------|-----------|-----------|----------|----------|------------|----------|
| 2014       | N        | 446       | 124       | 272      | 920      | 11         | 1 773    |
|            | %        | 25        | 7         | 15       | 52       | 1          | 100      |
| 2015       | N        | 773       | 154       | 359      | 1 091    | 19         | 2 396    |
|            | %        | 32        | 6         | 15       | 46       | 1          | 100      |
| 2016       | N        | 872       | 141       | 461      | 1 035    | 20         | 2 529    |
|            | %        | 34        | 6         | 18       | 41       | 1          | 100      |
| 2017       | N        | 708       | 145       | 332      | 979      | 4          | 2 168    |
|            | %        | 33        | 7         | 15       | 45       | 0          | 100      |
| 2018       | N        | 581       | 154       | 358      | 984      | 3          | 2 080    |
|            | %        | 27        | 7         | 17       | 45       | 0          | 96       |
| 2019       | N        | 705       | 104       | 327      | 886      | 2          | 2024     |
|            | %        | 35        | 5         | 16       | 44       | 0          | 100      |
| <b>AAG</b> | <b>%</b> | <b>14</b> | <b>-2</b> | <b>6</b> | <b>0</b> | <b>-12</b> | <b>4</b> |

\*Non-South African and unknown race candidates.

Source: SAICA database, 2019.

From 2014 to 2019 the number of APC passes grew from 1 773 to 2 024 at an average annual rate of 4% (Table 4-11). In 2014, only 25% of passes were achieved by Africans and 52% by white people, compared to 35% and 44% respectively in 2019.

**Table 4-12: Successful completion of the APC Part II exam by gender group: 2014- 2019**

| Year    |        | Total |      |
|---------|--------|-------|------|
|         |        | N     | %    |
| 2014    | Female | 881   | 50   |
|         | Male   | 892   | 50   |
|         | Total  | 1 773 | 100  |
| 2015    | Female | 1 232 | 51   |
|         | Male   | 1 164 | 49   |
|         | Total  | 2 396 | 100  |
| 2016    | Female | 1 150 | 51   |
|         | Male   | 1 097 | 49   |
|         | Total  | 2 247 | 100  |
| 2017    | Female | 1 452 | 54%  |
|         | Male   | 1 251 | 46%  |
|         | Total  | 2 703 | 100% |
| 2018    | Female | 1 635 | 54%  |
|         | Male   | 1 402 | 46%  |
|         | Total  | 3 037 | 100% |
| 2019    | Female | 1 074 | 53%  |
|         | Male   | 950   | 47%  |
|         | Total  | 2 024 | 100% |
| AAG (%) | Female | 8     |      |
|         | Male   | 4     |      |
|         | Total  | 6     |      |

\*Non-South African and unknown race candidates.

Source: SAICA database, 2019.

Total female passes for the APC increased from 881 in 2014 to 1 074 in 2019 and male passes increased from 892 in 2014 to 950 in 2019. The female's share of the pool increased from 50% in 2014 to 53% in 2019 (Table 4-12). This shows gender transformation in a profession and field which was traditionally male orientated.

## 4.5 LEARNERSHIPS

A Learnership is a workplace-based education and training programme leading to an NQF registered qualification. Learnerships are based on a legally binding agreement between an employer, a learner and a training provider. Employers' roles are to provide the workplace exposure and mentorship needed by n. Most of the professional body qualifications in the sector are achieved through Learnerships.

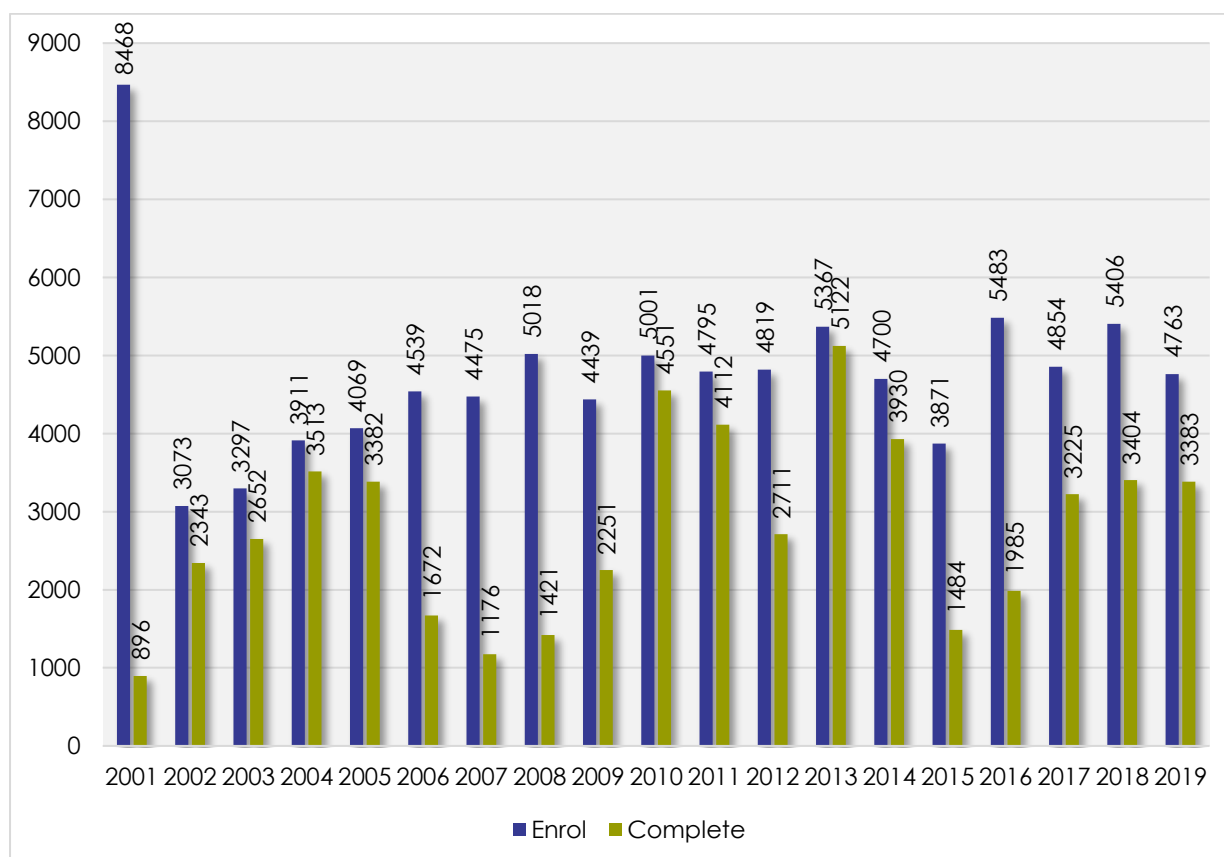
Since 2001, the majority of all completed FASSET Learnerships were for the Chartered Accountant: Auditing qualification, which is administered by SAICA and which forms part of the CA learning pathway described in the previous section. Other Learnerships included in the statistics are, for example, the TVET Certificate: Debt Recovery (NQF level 4), the National Certificate: Business Administration Services (NQF level 2), the Post Graduate Diploma: Professional Accountant in Practice (NQF level 8) and the Certificate: Public Sector Accounting (NQF level 4).

First, this section focusses on the total number of enrolments and completions from 2001 to 2017. This is followed by the numbers according to NQF level. Finally, the Chartered Accountant: Auditing (NQF level 7) Learnership is discussed in more detail.

Figure 4-4 displays the number of enrolments and completions from 2001/2002 – 2019/2020. Of the 90 348 enrolments recorded for FASSET Learnerships, 53 213 (59%) were completed.

The professional character of the sector is specifically evident in Table 4-13: The majority of Learnerships offered were at NQF levels 7 and 8.

Total enrolments increased at an average rate of 3% per year from 3 073 in 2002/2003 to 4 763 in 2019/2020, while completions have an average growth rate of 2% per year from 2 343 to 3 383 over this period.



**Figure 4-4 Learnerships 2001 – 2018: Total enrolments and completions**

Source: FASSET database, 2020

**Table 4-13 Enrolments and completions according to NQF level: 2001/2002 – 2019/2020**

| Year         | NQF level 1 |           | NQF level 2  |            | NQF level 3  |            | NQF level 4  |              | NQF level 5  |            | NQF level 6 |            | NQF levels 7 and 8* |               | Total         |               |
|--------------|-------------|-----------|--------------|------------|--------------|------------|--------------|--------------|--------------|------------|-------------|------------|---------------------|---------------|---------------|---------------|
|              | Enrol       | Complete  | Enrol        | Complete   | Enrol        | Complete   | Enrol        | Complete     | Enrol        | Complete   | Enrol       | Complete   | Enrol               | Complete      | Enrol         | Complete      |
| 2001/02      |             |           |              |            |              |            |              |              | 2            |            |             |            | 8 466               | 896           | 8 468         | 896           |
| 2002/03      |             |           |              |            |              |            |              |              |              |            |             |            | 3 073               | 2 343         | 3 073         | 2 343         |
| 2003/04      |             |           |              |            | 7            |            | 20           |              | 4            |            | 2           |            | 3 264               | 2 652         | 3 297         | 2 652         |
| 2004/05      |             |           |              |            | 9            |            | 25           | 5            | 6            |            | 7           |            | 3 864               | 3 508         | 3 911         | 3 513         |
| 2005/06      |             |           |              |            | 33           |            | 213          | 47           | 45           | 4          | 39          |            | 3 739               | 3 331         | 4 069         | 3 382         |
| 2006/07      |             |           | 163          |            | 23           | 4          | 29           | 2            | 79           | 1          | 76          | 7          | 4 169               | 1 658         | 4 539         | 1 672         |
| 2007/08      |             |           | 2            |            | 7            | 2          | 146          | 1            | 110          | 2          | 28          | 12         | 4 182               | 1 159         | 4 475         | 1 176         |
| 2008/09      |             |           | 345          |            | 476          | 5          | 41           | 33           | 132          | 12         | 61          |            | 3 963               | 1 371         | 5 018         | 1 421         |
| 2009/10      |             |           | 116          |            | 28           | 135        | 154          | 85           | 106          | 7          | 23          | 6          | 4 012               | 2 018         | 4 439         | 2 251         |
| 2010/11      |             |           | 102          | 3          | 17           | 117        | 88           | 150          | 178          | 8          | 41          | 2          | 4 575               | 4 271         | 5 001         | 4 551         |
| 2011/12      |             |           | 23           | 8          | 97           | 2          | 109          | 59           | 247          | 19         | 99          | 3          | 4 220               | 3 474         | 4 795         | 4 112         |
| 2012/13      |             |           | 28           |            | 68           | 1          | 293          | 153          | 238          | 16         | 74          | 11         | 4 118               | 2 530         | 4 819         | 2 711         |
| 2013/14      | 1           |           | 381          | 104        | 149          |            | 506          | 8            | 127          | 7          | 51          | 7          | 4 152               | 4 996         | 5 367         | 5 122         |
| 2014/15      | 70          |           | 130          | 216        | 137          | 11         | 96           | 164          | 104          | 70         | 43          | 16         | 4 120               | 3 453         | 4 700         | 3 930         |
| 2015/16      | 68          | 2         | 82           |            | 33           | 39         | 82           | 21           | 398          | 238        | 27          | 3          | 3 181               | 1 181         | 3 871         | 1 484         |
| 2016/17      | 1           |           | 45           |            | 93           | 42         | 306          | 55           | 52           | 37         | 17          |            | 4 969               | 1 788         | 5 483         | 1 985         |
| 2017/18      | 17          |           | 236          | 131        | 81           |            | 427          | 85           | 27           | 15         | 23          |            | 4 043               | 2 994         | 4 854         | 3 225         |
| 2018/19      | 57          | 8         | 60           | 2          | 195          | 84         | 312          | 260          | 267          | 36         | 45          | 111        | 4 470               | 2 903         | 5 406         | 3 404         |
| 2019/20      | 244         | 26        | 351          | 15         | 270          | 102        | 297          | 171          | 78           | 80         | 55          | 18         | 3 468               | 2 971         | 4 763         | 3 383         |
| <b>Total</b> | <b>458</b>  | <b>36</b> | <b>2 064</b> | <b>479</b> | <b>1 723</b> | <b>544</b> | <b>3 144</b> | <b>1 299</b> | <b>2 200</b> | <b>552</b> | <b>711</b>  | <b>196</b> | <b>80 048</b>       | <b>49 497</b> | <b>90 348</b> | <b>53 213</b> |

\*The National Qualifications Framework Act No 67 of 2008 became operational in 2011. This act changed the NQF levels from 8 to 10. This change had a significant effect on the Level 7 and 8 Learnerships. Most were changed from Level 7 to 8. In order to retain the time series, these two levels are combined in this table. Source: FASSET database, 2020.

From 2002 to 2020, enrolments for the Chartered Accountant: Auditing Learnership represented 79% of all Learnership enrolments and 91% of all passes in the sector. Learnership results for this Learnership are further analysed and discussed by population group and gender.

Over the period under review, 63 173 candidates enrolled for the Chartered Accountant: Auditing Learnership, while 45 054 candidates completed (passed) the Learnership (Table 4-16). Of the enrolments 32 012 were female and 31 161 were male. Of the passes 22 374 were female and 22 680 were male.

The total group of n who enrolled on this Learnership from 2001 to 2018 comprised 48% black people (African, coloured and Indian) (Table 4-18).

**Table 4-14 Chartered Accountant: Auditing: Total enrolments and completions by population group and gender, 2001/2002 – 2019/2020**

| Registration Status   | African |       | Coloured |       | Indian |       | White  |        | Total  |        | TOTAL  |
|-----------------------|---------|-------|----------|-------|--------|-------|--------|--------|--------|--------|--------|
|                       | F       | M     | F        | M     | F      | M     | F      | M      | F      | M      |        |
| Enrolled (N)          | 10 097  | 7 886 | 2 180    | 1 780 | 5 041  | 4 842 | 16 373 | 17 476 | 33 691 | 32 522 | 63 173 |
| Completed (N)         | 6 160   | 5 318 | 1 465    | 1 205 | 3 831  | 3 711 | 12 386 | 13 575 | 23 842 | 23 809 | 45 054 |
| <b>Success rate %</b> | 61      | 67    | 67       | 68    | 76     | 77    | 76     | 78     | 71     | 73     | 71     |

Source: FASSET database, 2020.



**Table 4-15 Chartered Accountant: Auditing: Enrolments by population group and gender 2001/2002 – 2019/2020**

| Year     | African |    |       |    | Coloured |   |       |   | Indian |   |       |   | White  |    |        |    | Total  |    |        |    | TOTAL  |     |
|----------|---------|----|-------|----|----------|---|-------|---|--------|---|-------|---|--------|----|--------|----|--------|----|--------|----|--------|-----|
|          | Female  |    | Male  |    | Female   |   | Male  |   | Female |   | Male  |   | Female |    | Male   |    | Female |    | Male   |    |        |     |
|          | N       | %  | N     | %  | N        | % | N     | % | N      | % | N     | % | N      | %  | N      | %  | N      | %  | N      | %  | N      | %   |
| *2001/02 | 463     | 6  | 549   | 7  | 155      | 2 | 141   | 2 | 528    | 6 | 583   | 7 | 2 652  | 33 | 3 067  | 38 | 3 798  | 47 | 4 340  | 53 | 8 138  | 100 |
| 2002/01  | 166     | 6  | 182   | 7  | 56       | 2 | 55    | 2 | 195    | 7 | 191   | 7 | 879    | 33 | 963    | 36 | 1 296  | 48 | 1 391  | 52 | 2 687  | 100 |
| 2003/04  | 238     | 8  | 238   | 8  | 59       | 2 | 59    | 2 | 230    | 8 | 178   | 6 | 920    | 32 | 919    | 32 | 1 447  | 51 | 1 394  | 49 | 2 841  | 100 |
| 2004/05  | 269     | 9  | 271   | 9  | 68       | 2 | 59    | 2 | 236    | 8 | 232   | 8 | 831    | 29 | 944    | 32 | 1 404  | 48 | 1 506  | 52 | 2 910  | 100 |
| 2005/06  | 386     | 12 | 336   | 11 | 99       | 3 | 73    | 2 | 228    | 7 | 215   | 7 | 897    | 28 | 935    | 30 | 1 610  | 51 | 1 559  | 49 | 3 169  | 100 |
| 2006/07  | 451     | 12 | 410   | 11 | 134      | 4 | 79    | 2 | 273    | 7 | 283   | 8 | 986    | 27 | 1 062  | 29 | 1 844  | 50 | 1 834  | 50 | 3 678  | 100 |
| 2007/08  | 482     | 13 | 515   | 14 | 108      | 3 | 94    | 3 | 292    | 8 | 286   | 8 | 922    | 25 | 987    | 27 | 1 804  | 49 | 1 882  | 51 | 3 686  | 100 |
| 2008/09  | 525     | 16 | 447   | 13 | 104      | 3 | 87    | 3 | 258    | 8 | 268   | 8 | 831    | 25 | 850    | 25 | 1 718  | 51 | 1 652  | 49 | 3 370  | 100 |
| 2009/10  | 462     | 14 | 417   | 12 | 114      | 3 | 101   | 3 | 280    | 8 | 289   | 9 | 835    | 25 | 878    | 26 | 1 691  | 50 | 1 685  | 50 | 3 376  | 100 |
| 2010/11  | 563     | 15 | 485   | 13 | 141      | 4 | 121   | 3 | 334    | 9 | 317   | 8 | 938    | 24 | 978    | 25 | 1 976  | 51 | 1 901  | 49 | 3 877  | 100 |
| 2011/12  | 552     | 15 | 538   | 15 | 150      | 4 | 106   | 3 | 259    | 7 | 266   | 7 | 834    | 23 | 868    | 24 | 1 795  | 50 | 1 778  | 50 | 3 573  | 100 |
| 2012/13  | 623     | 18 | 541   | 16 | 129      | 4 | 129   | 4 | 277    | 8 | 260   | 8 | 677    | 20 | 795    | 23 | 1 706  | 50 | 1 725  | 50 | 3 431  | 100 |
| 2013/14  | 690     | 20 | 546   | 16 | 159      | 5 | 114   | 3 | 252    | 7 | 249   | 7 | 663    | 19 | 731    | 21 | 1 764  | 52 | 1 640  | 48 | 3 404  | 100 |
| 2014/15  | 475     | 19 | 400   | 16 | 86       | 4 | 61    | 2 | 187    | 8 | 140   | 6 | 557    | 23 | 551    | 22 | 1 305  | 53 | 1 152  | 47 | 2 457  | 100 |
| 2015/16  | 586     | 22 | 426   | 16 | 105      | 4 | 78    | 3 | 250    | 9 | 181   | 7 | 522    | 20 | 505    | 19 | 1 463  | 55 | 1 190  | 45 | 2 653  | 100 |
| 2016/17  | 705     | 22 | 456   | 14 | 141      | 4 | 104   | 3 | 233    | 7 | 212   | 7 | 662    | 21 | 668    | 21 | 1 741  | 55 | 1 440  | 45 | 3 181  | 100 |
| 2017/18  | 756     | 23 | 479   | 14 | 121      | 4 | 116   | 3 | 268    | 8 | 237   | 7 | 686    | 20 | 689    | 21 | 1 831  | 55 | 1 521  | 45 | 3 352  | 100 |
| 2018/19  | 890     | 26 | 650   | 19 | 135      | 4 | 106   | 3 | 246    | 7 | 238   | 7 | 548    | 16 | 577    | 17 | 1 819  | 54 | 1 571  | 46 | 3 390  | 100 |
| 2019/20  | 815     | 27 | 538   | 18 | 116      | 4 | 97    | 3 | 215    | 7 | 217   | 7 | 533    | 18 | 509    | 17 | 1 679  | 55 | 1 361  | 45 | 3 040  | 100 |
| Total    | 10 097  | 15 | 7 886 | 12 | 2 180    | 3 | 1 780 | 3 | 5 041  | 8 | 4 842 | 7 | 16 373 | 25 | 17 476 | 26 | 33 691 | 51 | 32 522 | 49 | 66 213 | 100 |

\*The enrolment numbers for 2001 are relatively high compared to the subsequent years. That is because all the articles that were served under the old regime were converted into Learnerships in 2001 when the Learnership system was introduced.

Source: FASSET database, 2020.

**Table 4-16 Chartered Accountant: Auditing: Completions: by population group and gender 2001/2002 – 2019/2020**

| Year    | African |    |       |    | Coloured |   |       |   | Indian |    |       |   | White  |    |        |    | Total  |    |        |    | TOTAL  |     |
|---------|---------|----|-------|----|----------|---|-------|---|--------|----|-------|---|--------|----|--------|----|--------|----|--------|----|--------|-----|
|         | Female  |    | Male  |    | Female   |   | Male  |   | Female |    | Male  |   | Female |    | Male   |    | Female |    | Male   |    |        |     |
|         | N       | %  | N     | %  | N        | % | N     | % | N      | %  | N     | % | N      | %  | N      | %  | N      | %  | N      | %  | N      | %   |
| 2001/02 | 63      | 7  | 47    | 5  | 19       | 2 | 12    | 1 | 59     | 7  | 40    | 5 | 308    | 36 | 312    | 36 | 449    | 52 | 411    | 48 | 860    | 100 |
| 2002/01 | 134     | 6  | 133   | 6  | 40       | 2 | 55    | 2 | 148    | 7  | 173   | 8 | 689    | 30 | 894    | 39 | 1 011  | 45 | 1 255  | 55 | 2 266  | 100 |
| 2003/04 | 138     | 5  | 164   | 6  | 47       | 2 | 47    | 2 | 200    | 8  | 186   | 7 | 845    | 33 | 938    | 37 | 1 230  | 48 | 1 335  | 52 | 2 565  | 100 |
| 2004/05 | 226     | 7  | 288   | 8  | 80       | 2 | 59    | 2 | 271    | 8  | 279   | 8 | 1 045  | 30 | 1 194  | 35 | 1 622  | 47 | 1 820  | 53 | 3 442  | 100 |
| 2005/06 | 238     | 7  | 225   | 7  | 72       | 2 | 58    | 2 | 229    | 7  | 251   | 8 | 1 037  | 32 | 1 154  | 35 | 1 576  | 48 | 1 688  | 52 | 3 264  | 100 |
| 2006/07 | 103     | 6  | 120   | 7  | 51       | 3 | 36    | 2 | 123    | 8  | 129   | 8 | 490    | 30 | 579    | 35 | 767    | 47 | 864    | 53 | 1 631  | 100 |
| 2007/08 | 105     | 9  | 85    | 8  | 19       | 2 | 18    | 2 | 84     | 8  | 87    | 8 | 338    | 30 | 377    | 34 | 546    | 49 | 567    | 51 | 1 113  | 100 |
| 2008/09 | 119     | 9  | 137   | 10 | 37       | 3 | 36    | 3 | 99     | 7  | 93    | 7 | 360    | 27 | 443    | 33 | 615    | 46 | 709    | 54 | 1 324  | 100 |
| 2009/10 | 188     | 9  | 162   | 8  | 67       | 3 | 43    | 2 | 130    | 7  | 147   | 7 | 603    | 30 | 658    | 33 | 988    | 49 | 1 010  | 51 | 1 998  | 100 |
| 2010/11 | 503     | 12 | 504   | 12 | 144      | 3 | 103   | 2 | 369    | 9  | 345   | 8 | 1 116  | 26 | 1 175  | 28 | 2 132  | 50 | 2 127  | 50 | 4 259  | 100 |
| 2011/12 | 497     | 14 | 435   | 13 | 90       | 3 | 83    | 2 | 270    | 8  | 287   | 8 | 883    | 26 | 911    | 26 | 1 740  | 50 | 1 716  | 50 | 3 456  | 100 |
| 2012/13 | 304     | 12 | 269   | 11 | 70       | 3 | 74    | 3 | 238    | 10 | 225   | 9 | 617    | 25 | 697    | 28 | 1 229  | 49 | 1 265  | 51 | 2 494  | 100 |
| 2013/14 | 703     | 14 | 660   | 13 | 180      | 4 | 158   | 3 | 448    | 9  | 440   | 9 | 1 074  | 22 | 1 257  | 26 | 2 405  | 49 | 2 515  | 51 | 4 920  | 100 |
| 2014/15 | 532     | 16 | 476   | 15 | 121      | 4 | 96    | 3 | 254    | 8  | 240   | 7 | 770    | 24 | 781    | 24 | 1 677  | 51 | 1 593  | 49 | 3 270  | 100 |
| 2015/16 | 257     | 22 | 202   | 18 | 44       | 4 | 39    | 3 | 107    | 9  | 89    | 8 | 206    | 18 | 199    | 17 | 614    | 54 | 529    | 46 | 1 143  | 100 |
| 2016/17 | 333     | 19 | 262   | 15 | 78       | 4 | 48    | 3 | 151    | 9  | 111   | 6 | 385    | 22 | 392    | 22 | 947    | 54 | 813    | 46 | 1 760  | 100 |
| 2017/18 | 526     | 20 | 396   | 15 | 95       | 4 | 80    | 3 | 217    | 8  | 215   | 8 | 514    | 20 | 543    | 21 | 1 352  | 52 | 1 234  | 48 | 2 586  | 100 |
| 2018/19 | 600     | 22 | 396   | 15 | 104      | 4 | 79    | 3 | 222    | 8  | 177   | 7 | 548    | 20 | 577    | 21 | 1 474  | 55 | 1 229  | 45 | 2 703  | 100 |
| 2019/20 | 591     | 23 | 357   | 14 | 107      | 4 | 81    | 3 | 212    | 8  | 197   | 8 | 558    | 21 | 494    | 19 | 1468   | 57 | 1129   | 43 | 2 597  | 100 |
| Total   | 6 160   | 13 | 5 318 | 11 | 1 465    | 3 | 1 205 | 3 | 3 831  | 8  | 3 711 | 8 | 12 386 | 26 | 13 575 | 28 | 23 842 | 50 | 23 809 | 50 | 47 651 | 100 |

Source: FASSET database, 2020.

## 4.6 LIFELONG LEARNING

FASSET's lifelong learning events are skills development initiatives to assist smaller employers in the sector to keep up-to-date with sector developments. Certificates of attendance are given to people participating in these events.

The lifelong learning events are one of FASSET's most popular interventions, and since 2007/2008-2019/2020 a total of 196 870 individuals have benefitted from these events (Table 4-17). Of these, 60 114 (31%) were for budget and tax updates and 37 374 (19%) were for soft skills training. All in all, the participation in lifelong learning opportunities increased from 6 174 in 2007 to 23 848 in 2015. Participation in the lifelong learning events declined to 16 636 in 2016 and showed a further decrease to 8 693 in 2017.

During the 2018/19 financial year, FASSET's ability to host the targeted number of sessions was hampered by a shortage of suitably experienced African Black-owned training providers to deliver the workshops. As a result, only 1 743 individuals benefitted from lifelong learning sessions (1 299 attended business presentation and public speaking and 444 attended balanced scorecard essentials). To this end, FASSET introduced a new initiative to incentivise employers and professional bodies to implement workshops and seminars at their own costs. Employers can claim R750 per employee that registered and attended any 'lifelong learning training initiative'. With the Training Initiative Incentive, a reported 29 200 delegates attended a training workshop or seminar in the 2018/19 financial year.

During 2019/20 more than 12 000 individuals participated in the lifelong learning events.

**Table 4-17 Lifelong learning: Number of beneficiaries by type of event 2007/2008 – 2019/2020**

| Lifelong learning |                     |    |                          |    |                      |   |             |    |                         |    |                    |    |               |   |       |   |                         |   |                               |    |        |    |         |     |
|-------------------|---------------------|----|--------------------------|----|----------------------|---|-------------|----|-------------------------|----|--------------------|----|---------------|---|-------|---|-------------------------|---|-------------------------------|----|--------|----|---------|-----|
| Year              | Budget & Tax update |    | Compliance & Legislation |    | Assessor & Moderator |   | Soft Skills |    | Management & Leadership |    | Change & Diversity |    | Global Trends |   | SDF   |   | Recruitment & Selection |   | Training Initiative Incentive |    | Other  |    | Total   |     |
|                   | N                   | %  | N                        | %  | N                    | % | N           | %  | N                       | %  | N                  | %  | N             | % | N     | % | N                       | % | N                             | %  | N      | %  | N       | %   |
| Unknown           | 0                   | 0  | 0                        | 0  | 241                  | 9 | 1 560       | 57 | 942                     | 34 | 0                  | 0  | 0             | 0 | 0     | 0 | 0                       | 0 | 0                             | 0  | 0      | 0  | 2 743   | 100 |
| 2007/08           | 3 264               | 53 | 858                      | 14 | 0                    | 0 | 1 422       | 23 | 436                     | 7  | 0                  | 0  | 0             | 0 | 177   | 3 | 0                       | 0 | 0                             | 0  | 17     | 0  | 6 174   | 100 |
| 2008/09           | 3 388               | 36 | 2 512                    | 27 | 168                  | 2 | 2 057       | 22 | 746                     | 8  | 0                  | 0  | 0             | 0 | 158   | 2 | 363                     | 4 | 0                             | 0  | 0      | 0  | 9 392   | 100 |
| 2009/10           | 4 379               | 35 | 1 600                    | 13 | 46                   | 0 | 1 425       | 11 | 1 454                   | 12 | 355                | 3  | 968           | 8 | 204   | 2 | 0                       | 0 | 0                             | 0  | 2 060  | 16 | 12 491  | 100 |
| 2010/11           | 4 079               | 40 | 2 015                    | 20 | 78                   | 1 | 1 824       | 18 | 1 397                   | 14 | 350                | 3  | 0             | 0 | 202   | 2 | 0                       | 0 | 0                             | 0  | 355    | 3  | 10 300  | 100 |
| 2011/12           | 4 599               | 38 | 3 577                    | 30 | 0                    | 0 | 1 905       | 16 | 530                     | 4  | 0                  | 0  | 635           | 5 | 285   | 2 | 376                     | 3 | 0                             | 0  | 85     | 1  | 11 992  | 100 |
| 2012/13           | 5 257               | 34 | 2 189                    | 14 | 0                    | 0 | 5 144       | 33 | 1 851                   | 12 | 0                  | 0  | 636           | 4 | 0     | 0 | 0                       | 0 | 0                             | 0  | 333    | 2  | 15 410  | 100 |
| 2013/14           | 0                   | 0  | 2 639                    | 27 | 0                    | 0 | 0           | 0  | 5 937                   | 61 | 1 073              | 11 | 0             | 0 | 0     | 0 | 0                       | 0 | 0                             | 0  | 131    | 1  | 9 780   | 100 |
| 2014/15           | 10 434              | 39 | 2 211                    | 8  | 0                    | 0 | 10 296      | 39 | 917                     | 3  | 0                  | 0  | 0             | 0 | 0     | 0 | 0                       | 0 | 0                             | 0  | 2 600  | 10 | 26 458  | 100 |
| 2015/16           | 7 765               | 33 | 3 372                    | 14 | 0                    | 0 | 5 565       | 23 | 4 768                   | 20 | 0                  | 0  | 0             | 0 | 0     | 0 | 0                       | 0 | 0                             | 0  | 2 378  | 10 | 23 848  | 100 |
| 2016/17           | 7 982               | 48 | 2 627                    | 16 | 0                    | 0 | 3 375       | 20 | 1 901                   | 11 | 0                  | 0  | 0             | 0 | 0     | 0 | 0                       | 0 | 0                             | 0  | 751    | 5  | 16 636  | 100 |
| 2017/18           | 7 174               | 83 | 0                        | 0  | 0                    | 0 | 1 184       | 14 | 0                       | 0  | 0                  | 0  | 0             | 0 | 270   | 3 | 0                       | 0 | 0                             | 0  | 65     | 1  | 8 693   | 100 |
| 2018/19           | 0                   | 0  | 0                        | 0  | 0                    | 0 | 0           | 0  | 0                       | 0  | 0                  | 0  | 0             | 0 | 0     | 0 | 0                       | 0 | 29 200                        | 94 | 1 743  | 6  | 30 943  | 100 |
| 2019/20           | 1 793               | 15 | 5 097                    | 42 | 0                    | 0 | 1 617       | 13 | 2 798                   | 23 | 0                  | 0  | 607           | 5 | 98    | 1 | 0                       | 0 | 0                             | 0  | 0      | 0  | 12 010  | 100 |
| Total             | 60 114              | 31 | 28 697                   | 15 | 533                  | 0 | 37 374      | 19 | 23 677                  | 12 | 1 778              | 1  | 2 846         | 1 | 1 394 | 1 | 739                     | 0 | 29 200                        | 15 | 10 518 | 5  | 196 870 | 100 |

Source: FASSET database, 2020.

## 4.7 CONCLUSIONS

Grade 12 Mathematics is a prerequisite for tertiary studies in most of the study fields relevant to the sector. The number of learners who wrote mathematics from 2008 to 2020 increased on average by 1% per year. Although accounting as matric subject is not a prerequisite for studies in accounting at tertiary level, candidates with this subject feed into occupations such as bookkeepers and accounting clerks. The number of learners who achieved 40% or more for accounting showed a marginal increase (average of 1% per annum) over the review period.

Statistics on under-graduate and post-graduate qualifications in the broad study fields "Accounting" and "Other business and commerce" are presented in this chapter as these are the two fields from which the core of work-force in the FASSET sector are drawn. National diplomas and four-year first degrees (BTech degrees) reflect the output of universities of technology. The number of graduates who qualified with these qualifications in accounting did not increase significantly over the review period. However, stronger growth occurred in the other business and commerce field. The number of graduates with first three-year degrees in accounting doubled between 2001 and 2015 mainly because of an inflow of African graduates. Strong growth was also seen in the other business and commerce field. In both fields the gender representation also changed from an equal male-female distribution to a situation where the female graduates outnumber their male counterparts by a large margin.

The situation with regard to post graduate diplomas and honours degrees looks somewhat different from the situation described above. Growth in output from the universities was lower than that of first degrees. There was a gradual decline in the number of white candidates who qualified and a gradual increase in the number of Black graduates. By 2015 Black graduates outnumbered whites, but not to the same extent as at first degree level.

From 2001 to 2019 far more masters' and doctoral degrees were completed in the study field other business and commerce than in accounting.

The chapter includes an analysis of student output through the learning pathway that leads to the CA(SA) designation. This is the most sought-after designation in the sector and there is a notorious short supply of black CA(SA)s not only in FASSET's sector, but also in the rest of the economy. The CA(SA) designation also forms part of the learning pathway towards the Registered Auditor (RA) designation – another key occupation in the sector.

The completion of a SAICA-accredited Postgraduate Diploma in Accounting (PGDA) programme or equivalent on NQF level 8 is needed for access to the first of two qualifying SAICA examinations. Until 2014 less than half of the candidates, who enrolled for the PGDA successfully completed the qualification. A drastic increase in enrolments was seen in 2016. The increase in the CTA enrolments is due to the increase of enrolments at UNISA into the level 2 programme in 2016.

From 2002 to 2019, the number of enrolments for the ITC exam increased annually. More African and female candidates participated over the review period but the number of white and male candidates dropped. In 2014, the Assessment of Professional Competence (APC) replaced the Part 2 of the qualifying exam. The APC has much higher pass rates than the ITC exam. The pass rate of whites was the highest for both exams. Female passes exceeded male passes for the first time in 2013. The number of African candidates who passed increased gradually while the number of whites decreased.

Since 2001, the majority of all FASSET learnerships that were completed were in the Chartered Accountant: Auditing (NQF level 7) learnership, which is administered by SAICA. Of the total enrolments for FASSET learnerships from 2001/2002 to 2019/2020, 59% were completed.

FASSET's lifelong learning training events are skills development initiatives to assist smaller employers in the sector to keep up-to-date with sector developments. From 2007/2008 to 2019/20, FASSET offered 196 870 learning opportunities to people in the financial sector.

## 5 SCARCE SKILLS

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### 5.1 INTRODUCTION

One of the key responsibilities of the SETAs is to monitor skills shortages – also referred to as “scarce skills”- in their respective sectors and to intervene through the available grants and through special projects to alleviate the skills shortages. In the South African context, the term scarce skills is generally used to refer to occupations in which a scarcity of qualified and experienced people is experienced. A distinction is also made between “absolute scarcity” which is a situation where people with the required skills are not available in the local labour market and “relative scarcity” where people with the required skills are available, but they don't meet other employment criteria or are not available in a particular geographical area.

The detection and monitoring of skills shortages is not a simple process. Ideally the process should include the monitoring of a variety of labour market “signals” such as:

- 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
- A lack of spare capacity in the form of unemployed people who can fill positions in the particular occupations.

The best source of information on these signals is employers and for this reason FASSET has, since the institution of the levy-grant system, required employers to provide information on scarce skills in their Mandatory Grant applications. Implicitly FASSET required employers to “read” all the labour market signals mentioned above and then to provide an opinion on the scarcity of a particular occupation.

The identification and reporting of scarce skills by employers consisted of three components. First employers had to identify the occupations in which they experienced skills shortages. Second, they had to put a numerical value to the scarce skills, and third, they had to provide a reason for or a further explanation of the shortage that they experienced. The numerical values that they were required to attach to the occupations changed over time because FASSET adapted the grant application formats in accordance to the DHET requirements. In the first years of the grant applications employers had to report on the number of long-term vacancies that they had in the occupations that they identified as scarce skills. Since 2014 they were asked to indicate the number of people that they “needed”. This need could be interpreted in several ways, but it is likely that employers continued to interpret it as the need to fill long-term vacancies.

When employers identify scarce skills, they do so according to the occupations (the sixth level) of the OFO. The analysis presented in this chapter is limited to the period 2011/2012 to 2019/2020. That is the period in which the newest format of the OFO was used.

## 5.2 SCARCE SKILLS IDENTIFIED BY EMPLOYERS

Most of the shortages reported by employers in the FASSET sector were for professionals (Table 5-1). In fact, the numerical value attached to skills shortages in the occupational group professionals constituted 50% or more of the total experienced in the sector.

**Table 5-1 Scarce skills according to OFO major group: 2011/12- 2019/2020**

| Year     | Managers |    | Professionals |    | Technicians & Associated Professionals |   | Clerical support workers |   | Service & Sales workers |    | Total |     |
|----------|----------|----|---------------|----|--|---|--------------------------|---|-------------------------|----|-------|-----|
|          | N        | %  | N             | %  | N                                      | % | N                        | % | N                       | %  | N     | %   |
| 2011/12  | 65       | 2  | 2 855         | 91 | 137                                    | 4 | 78                       | 2 |                         |    | 3 135 | 100 |
| 2012/13  | 38       | 3  | 1 325         | 90 | 104                                    | 7 |                          |   |                         |    | 1 467 | 100 |
| 2013/14  | 184      | 5  | 3 129         | 82 | 233                                    | 6 | 239                      | 6 | 32                      | 1  | 3 817 | 100 |
| 2014/15  | 149      | 5  | 2 260         | 80 | 232                                    | 8 | 146                      | 5 | 24                      | 1  | 2 811 | 100 |
| 2015/16  | 647      | 10 | 5 392         | 82 | 212                                    | 3 | 313                      | 5 | 28                      |    | 6 593 | 100 |
| 2016/17  | 914      | 18 | 4 116         | 80 | 54                                     | 1 | 63                       | 1 |                         |    | 5 147 | 100 |
| 2017/18* | 215      | 8  | 2 353         | 84 | 138                                    | 5 | 89                       | 3 |                         |    | 2 795 | 100 |
| 2018/19  | 410      | 6  | 4 005         | 63 | 131                                    | 2 | 111                      | 2 | 1 699                   | 26 | 6 356 | 100 |
| 2019/20  | 505      | 10 | 2 705         | 52 | 112                                    | 2 | 188                      | 4 | 1 646                   | 32 | 5 156 | 100 |

\* SARS did not report on scarce skills.

Source: FASSET database, 2020.

It should be noted that, during 2018/19 and 2019/20, a direct marketing company reported a great need for service and sales workers – specifically for Contact Centre Salespersons. This is the reason for the sudden increase in the need for service and sales workers.

Table 5-2 lists the unit groups (at the fourth level of the OFO) in which skills shortages were identified. From this table it is clear that employers see the unit group Accountants as the occupational group in which the shortage of skills is the most pronounced.

**Table 5-2: Scarce skills according to OFO unit group (four-digit level): 2011/2012 – 2019/2020**

| Unit Group | Description  | 2011/12 | 2012/13 | 2013/14 | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 |
|------------|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| 1112       | Senior Government Officials  |         |         |         |         |         |         |         | 5       | 243     |
| 1121       | Managing Directors and Chief Executives                                |         |         |         |         |         |         |         | 12      | 10      |
| 1211       | Finance Managers   | 65      | 38      | 171     | 141     | 358     | 669     | 14      | 23      | 53      |
| 1212       | Human Resource Managers  |         |         |         |         |         |         |         | 16      | 15      |
| 1213       | Policy and Planning Managers   |         |         |         |         |         |         |         | 45      |         |
| 1219       | Business Services and Administration Managers not Elsewhere Classified |         |         |         |         |         | 18      | 48      | 67      | 30      |
| 1221       | Sales and Marketing Managers   |         |         |         |         |         | 82      | 63      | 32      | 51      |
| 1223       | Research and Development Managers                                      |         |         |         |         |         |         |         | 3       | 1       |
| 1323       | Construction Managers  |         |         |         |         |         |         |         | 3       | 2       |
| 1324       | Supply, Distribution and Related Managers                              |         |         |         |         |         |         |         | 3       | 7       |
| 1331       | Information and Communications Technology Service Managers             |         |         | 11      | 6       | 99      | 22      | 24      | 50      | 17      |
| 1346       | Financial and Insurance Services Branch Managers                       |         |         | 2       | 2       | 11      | 35      | 13      | 13      | 7       |
| 1349       | Professional Services Managers not Elsewhere Classified                |         |         |         |         |         |         |         | 133     | 7       |
| 1439       | Services Managers not Elsewhere Classified                             |         |         |         |         |         |         |         | 4       | 34      |
| 2121       | Mathematicians, Actuaries and Statisticians                            | 36      | 10      | 47      | 23      | 119     | 135     | 39      | 66      | 64      |
| 2141       | Industrial and Production Engineers                                    |         |         |         |         |         |         |         | 14      | 10      |
| 2153       | Telecommunications Engineers   |         |         |         |         |         |         |         | 5       |         |
| 2163       | Product and Garment Designers  |         |         |         |         |         |         |         | 1       | 11      |
| 2166       | Graphic and Multimedia Designers                                       |         |         |         |         |         | 12      | 1       | 1       | 2       |
| 2411       | Accountants  | 2 349   | 978     | 2 378   | 1 635   | 3 115   | 1 049   | 1 105   | 1 173   | 1 650   |
| 2412       | Financial and Investment Advisors                                      | 25      | 148     | 154     | 73      | 267     | 63      | 228     | 203     | 63      |
| 2413       | Financial Analysts   | 180     | 20      | 82      | 86      | 177     | 121     | 62      | 72      | 46      |
| 2421       | Management and Organization Analysts                                   | 167     | 24      | 157     | 132     | 453     | 1       | 114     | 94      | 217     |
| 2422       | Policy Administration Professionals                                    |         |         | 28      | 26      | 202     | 108     | 209     | 191     | 107     |
| 2423       | Personnel and Careers Professionals                                    |         |         |         |         |         |         |         | 13      | 20      |
| 2424       | Training and Staff Development Professionals                           |         |         |         |         |         |         |         | 7       | 5       |
| 2431       | Advertising and Marketing Professionals                                |         |         |         |         |         | 10      | 18      | 10      | 11      |
| 2434       | Information and Communications Technology Sales Professionals          |         |         |         |         |         | 124     | 94      | 48      | 39      |
| 2511       | Systems Analysts   |         | 30      | 17      |         | 138     | 57      | 107     | 53      | 37      |
| 2512       | Software Developers  | 11      | 33      | 48      | 33      | 413     | 10      | 101     | 140     | 201     |
| 2513       | Web and Multimedia Developers  |         |         |         |         |         |         |         | 18      | 2       |
| 2514       | Applications Programmers   |         |         | 0       |         | 12      | 15      | 4       | 9       | 17      |
| 2521       | Database Designers and Administrators                                  | 18      | 15      | 8       | 6       | 133     | 56      | 40      | 35      | 52      |
| 2522       | Systems Administrators   |         |         | 33      | 36      | 38      | 28      | 11      | 2       | 3       |
| 2523       | Computer Network Professionals   | 10      | 33      | 128     | 153     | 8       | 7       | 5       | 8       | 28      |
| 2529       | Database and Network Professionals not Elsewhere Classified            | 15      |         | 6       | 9       | 20      | 23      | 66      | 59      | 75      |



|      |  |     |    |     |     |     |    |    |       |       |
|------|--|-----|----|-----|-----|-----|----|----|-------|-------|
| 2611 | Lawyers  |     |    |     |     |     |    |    | 34    | 10    |
| 2622 | Librarians and Related Information Professionals                   |     |    |     |     |     |    |    | 16    | 14    |
| 2631 | Economists   | 45  | 34 | 43  | 48  | 61  | 41 | 18 | 18    | 12    |
| 3311 | Securities and Finance Dealers and Brokers                         |     | 46 | 6   | 2   | 36  |    | 5  | 5     | 9     |
| 3312 | Credit and Loans Officers  |     |    |     |     |     | 5  | 3  | 2     | 12    |
| 3313 | Accounting Associate Professionals                                 | 117 | 58 | 99  | 45  | 80  | 4  | 30 | 27    | 18    |
| 3314 | Statistical, Mathematical and Related Associate Professionals      |     |    |     |     |     |    |    | 5     |       |
| 3315 | Valuers and Loss Assessors   |     |    |     |     |     |    |    | 1     | 5     |
| 3321 | Insurance Representatives  |     |    |     |     |     |    |    |       | 6     |
| 3322 | Commercial Sales Representatives                                   |     |    |     |     |     |    |    |       | 15    |
| 3324 | Trade Brokers  |     |    | 76  | 73  | 13  | 1  | 5  | 4     | 2     |
| 3333 | Employment Agents and Contractors                                  |     |    |     |     |     |    |    | 9     | 10    |
| 3334 | Real Estate Agents and Property Managers                           |     |    |     |     |     |    |    | 2     | 1     |
| 3341 | Office Supervisors   | 20  |    | 51  | 78  | 7   |    | 10 | 10    | 5     |
| 3343 | Administrative and Executive Secretaries                           |     |    |     |     |     |    |    |       | 3     |
| 3351 | Customs and Border Inspectors                                      |     |    | 1   | 1   | 0   |    | 20 | 20    |       |
| 3352 | Government Tax and Excise Officials                                |     |    |     |     |     |    |    | 15    |       |
| 3354 | Government Licensing Officials                                     |     |    | 0   | 33  |     |    |    | 0     |       |
| 3411 | Legal and Related Associate Professionals                          |     |    |     |     |     |    |    | 21    | 14    |
| 3512 | Information and Communications Technology User Support Technicians |     |    |     |     |     |    |    | 1     | 2     |
| 4111 | General Office Clerks  |     |    |     |     |     |    |    | 1     | 4     |
| 4121 | Secretaries (General)  |     |    |     |     |     |    |    | 1     | 2     |
| 4211 | Bank Tellers and Related Clerks                                    |     |    |     |     |     |    |    | 5     | 8     |
| 4214 | Debt-collectors and Related Workers                                |     |    | 133 | 141 | 102 |    | 25 | 20    | 102   |
| 4222 | Contact Centre Information Clerks                                  |     |    |     |     |     |    |    | 4     | 8     |
| 4225 | Enquiry Clerks   |     |    |     |     |     |    |    | 2     | 7     |
| 4311 | Accounting and Bookkeeping Clerks                                  | 78  |    | 97  | 5   | 124 | 63 | 44 | 65    | 50    |
| 4313 | Payroll Clerks   |     |    | 9   |     | 21  |    |    | 0     | 2     |
| 4419 | Clerical Support Workers not Elsewhere Classified                  |     |    |     |     |     |    |    | 10    |       |
| 5231 | Cashiers and Ticket Clerks   |     |    | 32  | 24  | 4   |    | 14 |       |       |
| 5244 | Contact Centre Salespersons  |     |    |     |     |     |    |    | 1 699 | 1 600 |
| 5249 | Sales Workers not Elsewhere Classified                             |     |    |     |     |     |    |    |       | 20    |
| 5414 | Security Guards  |     |    |     |     |     |    |    |       | 15    |
| 5419 | Protective Services Workers not Elsewhere Classified               |     |    |     |     |     |    |    |       | 11    |

Source: FASSET data system, 2020

The ten unit groups with the highest numerical values (highest number of people needed) from 2011/2012 to 2019/2020 are listed in Table 5-3. The group "accountants" includes trainee accountants. In fact, most of the employers who identified scarce skills in this occupation indicated that they were looking for trainees – not fully qualified accountants. The reason for this is that the trainee positions have become a permanent component of the post structure in most of the accounting and auditing firms. The trainees perform certain of the lower level tasks and the firms depend on them in order to handle their business volumes. The high numbers quoted do not necessarily indicate huge shortages. Although there are some shortages, the numbers rather reflect the number of positions for first-year trainees that will open up as trainees move through the system and leave the firms where they had received training to take up employment elsewhere in the sector or outside the FASSET sector.

**Table 5-3 Top ten scarce skills according to OFO Unit Groups 2011/2012-2019/2020**

| Rank | Unit Group | Description                                 | Cumulative need (2011/12 – 2019/20) |
|------|------------|---|-------------------------------------|
| 1    | 2411       | Accountants                                 | 15 432                              |
| 2*   | 5244       | Contact Centre Salespersons                 | 3 299                               |
| 3    | 1211       | Finance Managers                            | 1 532                               |
| 4    | 2421       | Management and Organisation Analysts        | 1 359                               |
| 5    | 2412       | Financial and Investment Advisors           | 1 224                               |
| 6    | 2512       | Software Developers                         | 990                                 |
| 7    | 2422       | Policy Administration Professionals         | 871                                 |
| 8    | 2413       | Financial Analysts                          | 846                                 |
| 9    | 2121       | Mathematicians, Actuaries and Statisticians | 539                                 |
| 10   | 4311       | Accounting and Bookkeeping Clerks           | 526                                 |
| 11   | 4214       | Debt-collectors and Related Workers         | 523                                 |

\* Reporting from one direct market company contributed to this huge demand – top 11 were thus included

The top 10 occupations for 2019/2020 are set out in the Table 5-4 below:

**Table 5-4: Top ten scarce skills according to OFO Code 2019/2020**

| Rank | OFO Code | Occupation                          | Identified need for 2020 |
|------|----------|-------------------------------------|--------------------------|
| 1*   | 524401   | Call Centre Salesperson             | 1 600                    |
| 2    | 241104   | External Auditor                    | 1 105                    |
| 3    | 241101   | General Accountant                  | 377                      |
| 4    | 111202   | General Manager Public Service      | 243                      |
| 5    | 242101   | Management Consultant               | 205                      |
| 6    | 421401   | Debt Collector                      | 102                      |
| 7    | 251201   | Software Developer                  | 100                      |
| 8    | 241103   | Tax Professional                    | 87                       |
| 9    | 252901   | ICT Security Specialist             | 65                       |
| 10   | 251202   | Programmer Analyst                  | 53                       |
| 11   | 252101   | Database Designer and Administrator | 52                       |

\* Reporting from one direct market company contributed to this huge demand – top 11 were thus included

Source: FASSET data system, 2018.

As highlighted earlier, the inputs from one company (a direct marketing company) showed a large need for call centre salesperson. For this reason, the top 11 occupations reported as scarce skills, were reported. Interesting to note that 4 of the 11 top occupations are ICT related – which provides an indication of the increasing reliance on technology and digital formats within the sector. It is important to express that the results reported above did not provide an indication of how COVID-19 and the pandemic influenced skills needed in the sector, as the deadline for Mandatory Grant submissions were during the initial levels of the nationwide lockdown. Although the deadline for submissions were extended, the reporting asked for anticipated skills needs for 1 January 2020 to 31

December 2020, of which no one could anticipate the impact of the pandemic. It is expected that pandemic will drastically impact employment, work, jobs and skills, which would be evident when reporting is done for the 2020/2021 period.

The comments that employers made regarding the skills shortages that they experienced provide more insight into the nature of these shortages. Most of the employers indicated that the shortages that they experienced had to do with the demographic profiles they were looking for or with the level of specialisation or specialised skills that they needed.

### **5.3 CONCLUSIONS**

The monitoring of skills shortages or scarce skills is a very important, but a complex task that all the SETAs face. The way in which FASSET has approached questions regarding scarce skills in the Mandatory Grant applications was influenced by the formats prescribed by the DHET. These prescriptions changed over time and as a result the development of time series data on scarce skills was hampered.

The monitoring of scarce skills has also been hampered by the lack of detailed information on employment in the FASSET sector. Numerical information on scarce skills (e.g. the number of vacancies or the number of people needed) in a particular occupation has to be interpreted in relation to the number of people employed in that occupation. FASSET only started to collect detailed employment information (including occupational information at the six-digit level of the OFO) from organisations in the sector in 2014. However, FASSET requires only medium and large organisations to submit occupational information on the six-digit level. This situation prevents FASSET from doing a much more in-depth analysis of scarce skills in the sector.

Despite the shortcomings in the data collection methods, the signals received through FASSET's grant applications still confirm that there are skills shortages in the field of accounting and auditing and in some other fields such as financial markets, ICT, management consulting and economics.

## **6 GROWTH OF THE SECTOR**

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### **6.1 LEVY-PAYING ORGANISATIONS**

This report clearly shows that FASSET's sector has grown steadily over the nineteen-year period under review. Unfortunately, it is not possible to determine how the number of organisations in the sector has grown.

FASSET started in 2000/2001 with nearly 7 600 levy paying organisations. At that time the levy threshold was set at R250 000 per year. That means that all the organisations in the sector with a payroll of R250 000 per year or more were obliged to pay the SDL. However, in 2006/2007 the levy threshold was increased to R500 000 and in that year the number of levy paying organisations in the sector dropped to approximately 3 200. That means that more than half of the organisations that were originally allocated to the FASSET sector were micro organisations. The levy threshold was never adjusted for inflation after 2006/2007 and as salaries were adjusted for inflation and salary bills of organisations increased, small organisations crept back into the levy system and by 2016/2017 FASSET had 7 171 levy-paying organisations. In 2019/2020 FASSET had 8 442 levy-paying organisations on record. This increase confirms that the sector includes a large number of very small organisations.

The rate at which these organisations grow and the number that is operational but that fall below the levy threshold, is not known.

### **6.2 LEVY PAYMENTS**

The nominal value of the levy amounts received by FASSET increased from R22 million in 2000/2001 to R496 million in 2019/2020. The exemption of the more than 4 000 small organisations from the SDL in 2006/2007 had no effect on FASSET's levy income. In fact, the levy income continued to increase at a steady pace through the 2006/2007 period.

### **6.3 PARTICIPATION IN THE GRANT SYSTEM**

In the first few years of the levy-grant system the number of organisations that claimed Mandatory Grants increased. However, in the period 2006/2007 to 2008/2009 the number levelled off and from 2009/2010 to 2018/19 the number dropped from 1 415 to 1 129. Although the number and the percentage of organisations that claimed Mandatory Grants fluctuated over the years, in all the years the organisations that submitted Mandatory Grant applications paid more than 59% of the SDL. It stands to reason that these organisations employed almost 60% of the workers in the sector and that the employment information that they submitted represented about 60% of the employees in the sector.

Over all the years only a small portion of the organisations in the sector benefitted from Discretionary Grants. One of the reasons is that the Discretionary Grants are focused on very specific needs in the sector and therefore their illegibility criteria may exclude some or many of the organisations in the sector. It is also possible though that the Discretionary Grants are not well known and/or that employers find it to difficult and cumbersome to apply for these grants.

### **6.4 SECTOR EMPLOYMENT**

Estimates of total sector employment increased from 82 632 in 2001/2002 to 165 053 in 2019/2020. Growth of the sector was steady over the total time period, except for 2011/2012 when employment dropped. The reason for the decline in that particular year is not clear. It happened just more than two years after the recession. One possible explanation is that FASSET's sector does not react immediately to an economic downturn. In an economic recession many organisations go under, but their need for financial services does not stop immediately. Financial services continue while organisations wind down and insolvencies are handled. It is only afterwards that the financial services contract. There is no empirical evidence that this is the case and there may be other reasons for the drop in employment in 2011/2012.

### **6.5 TRANSFORMATION OF THE SECTOR**

Through all the years, transformation has been an important objective for the sector and for FASSET. Transformation had to take place while the sector was growing at a substantial pace. On the one hand the

growth of the sector facilitated transformation as it created space for the appointment of Black people in new positions. On the other hand, the sector was left with the challenge of ensuring that the skills development pipeline produced enough Black professionals to meet the transformation targets and to meet the growing demand of the sector.

Over the nineteen-year period the sector made great strides towards transformation. While 60% of employees in the sector were white in 2001/2002, whites' share of employment decreased to 34% in 2019/2020. From 2011/2012 to 2019/2020, whites' share in managerial positions decreased from 66% to 49%. Among professionals, the profile transformed from 53% white in 2011/2012 to 40% white in 2019/2020.

African females are the group with the largest increase in the sector and African female employment in the sector grew annually by 9% from 2000/2001 to 2019/2020.

Women were already in the majority in 2001. At that time, they formed 54% of all the employees in the sector. In 2019/2020 women represented 55% of employment in the sector.

## **6.6 THE SKILLS PIPELINE**

Chapter 4 of this report looks at the supply-side of the labour market in so far as it influences the FASSET sector. As the sector employs large numbers of professionals and places a high value on professional body membership, the skills pipeline that needs to be monitored and influenced through various interventions is quite long. FASSET's monitoring of the skills pipeline starts at the National Senior Certificate level. Matric passes with Mathematics as subject is of critical importance to the sector because it is a prerequisite for tertiary studies in most of the study fields that feed into the sector. The figures presented in this report clearly reveal that this poses a challenge. The number of passes fluctuated in recent years and there is no discernible upward trend.

Despite this the number of people who graduated from universities with first degrees in accounting grew steadily over time. However, this growth does not continue at post graduate level. In the learning pathway towards the CA(SA) designation the PGDA still poses a particular challenge – despite some improvements that occurred over the last ten years.

The progression of candidates (especially Black African candidates) through the pathway towards full professional status also remains a challenge.

## **6.7 CHALLENGES EXPERIENCED IN THE ANALYSIS OF TRENDS**

The biggest challenge experienced in the development of trends over a wide variety of variables was caused by changes in classification systems that occurred over the seventeen-year time period. The changes include:

- The main groups of the OFO
- The levels of the NQF
- The CESM categories used by HEMIS
- The types of Discretionary Grants

The time series data was also influenced by changes in the SDL threshold, the grant system and in the way in which questions were asked in the Mandatory Grant applications.

Some information could also not be reported on, as the COVID-19 pandemic delayed reporting of specific data, such as ITC and APC examinations, and certain aspects regarding Senior Certificate information.

Despite these challenges this report provides an extensive overview of developments and changes in the FASSET sector.

## **6.8 THE WAY FORWARD**

FASSET has, since its inception in 2000, developed an electronic data system and has captured large amounts of information obtained through its different grant application and payment processes in this system. The SETA has also commissioned the systematic analysis of this information on an annual basis. This trends report is the third of

its kind and it replaces the annual grant analysis report that was produced until 2014. In the preparation of this report the raw data was revisited, to some extent standardised and where possible presented in time-series format. While the previous analysis reports were limited to information from FASSET's system itself, this report includes time series data from various other sources such as the DHET's HEMIS and information submitted to FASSET or made available to FASSET by professional bodies in the sector. The main purpose of this report is to inform the skills planning processes of the SETA and other organisations in the sector. This report will also serve as an important input document for FASSET's Sector Skills Plan.

## ANNEXURE A

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### WEIGHTING OF MANDATORY GRANT APPLICATION DATA

The information that employers annually submit to FASSET in their Mandatory Grant applications is the only information that deals specifically with this sector. In order to compensate for variations in submission rates, the data received in every grant scheme year was weighted to a sectoral total. This was done by using the levy amount paid as a proxy for employment. Weighting was done separately for each of the subsectors, because of wage differentials that occur between subsectors. (Wage differentials are reflected in the SDL employment ratios of the different subsectors.)

In each of the subsectors the weights applied were calculated as follows:

- $\text{Weight} = \text{Levy amount paid (all organisations)} / \text{levy amount paid (organisations – WSPs approved)}$ .
- $\text{Estimated employment} = (\text{Weight} * \text{WSP employment})$
- As an example, the calculations for 2019/2020 are shown in the table below.

**Weighted employment: 2018**

|  | Column A               | Column B               | Column C | Column D       | Column E             |
|--|------------------------|------------------------|----------|----------------|----------------------|
|  |                        |                        | A/B      |                | C*D                  |
| Subsector  | Total levy amount      | Levy amount WSPs       | Weight   | WSP employment | Estimated employment |
| Accounting, Bookkeeping, Auditing & Tax Services         | R152 947 020.01        | R117 866 570.64        | 1.30     | 47 086         | 61 100               |
| Activities auxiliary to financial intermediation         | R41 352 267.68         | R31 601 163.89         | 1.31     | 13 085         | 17 123               |
| Business and management consulting services              | R106 526 654.05        | R48 321 447.14         | 2.20     | 15 621         | 34 437               |
| Development Organisations                                | R18 171 346.01         | R18 502 608.28         | 0.98     | 2 972          | 2 919                |
| Investment Entities & Trust & Company Secretary Services | R68 839 313.16         | R44 475 593.25         | 1.55     | 6 248          | 9 671                |
| SARS & Government Department                             | R4 166 072.63          | R3 424 610.81          | 1.00     | 15 055         | 15 055               |
| Stockbroking & Financial Markets                         | R103 589 391.16        | R83 513 293.11         | 1.24     | 19 655         | 24 380               |
| Unknown  | R515 148.80            | R245 937.28            | 1.00     | 369            | 369                  |
| <b>Total</b>   | <b>R496 107 213.50</b> | <b>R347 951 224.39</b> |          | <b>119 722</b> | <b>165 053</b>       |