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## GOVERNMENT NOTICE

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### DEPARTMENT OF LABOUR

No. R. 571

22 June 2001

### SKILLS DEVELOPMENT ACT, 1998

### SKILLS DEVELOPMENT REGULATIONS

The Minister of Labour has, after consultation with the National Skills Authority, under section 36 of the Skills Development Act, 1998 (Act No. 97 of 1998), made the regulations in the Schedule.

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## Definitions

1. In these Regulations, any word or expression to which a meaning has been assigned in the Act bears that meaning, and unless the context otherwise indicates—

“Act” means the Skills Development Act, 1998 (Act No. 97 of 1998);

“credits” means recognition of achievement of competence of a standard or part of a qualification registered on the National Qualifications Framework;

“Funding Regulations 2000/2001” means the Regulations regarding Funding and Related Issues published under the Act in Government Notice No. R. 103 of 7 February 2000;

“Learnership Regulations” means the Regulations relating to the Registration of Intended Learnerships and Learnership Agreements published under the Act in Government Notice No. R. 330 of 3 April 2001;

“Public Finance Management Act” means the Public Finance Management Act, 1999 (Act No. 1 of 1999);

“Skills Development Levies Act” means the Skills Development Levies Act, 1999 (Act No. 9 of 1999);

“submit” means to serve by hand or registered post or to transmit a communication by electronic mechanism as a result of which the recipient is capable of printing the communication.

## Financial Year

2. The financial year for every SETA is the year ending 31 March.

**Limitation on administration costs of SETA**

3. (1) A SETA may in terms of section 14(3)(b) of the Act not use more than 12,5% of the moneys it receives in terms of the Skills Development Levies Act to pay for its administration costs.

(2) A SETA may, in addition to subregulation (1), use the contributions received from public service employers in the national or provincial spheres of government as contemplated in section 30 (b) of the Act to pay for its administration costs.

**SETA finances**

4. (1) A SETA must use all moneys received in terms of the Skills Development Levies Act to—

- (a) administer the activities of that SETA;
- (b) pay the grants which are applied for in terms of these Regulations; and
- (c) if not otherwise specified by the Public Finance Management Act, invest the moneys in accordance with the investment policy approved by the relevant SETA.

(2) Moneys received by a SETA from—

- (a) a training board, training schemes, training levies or any other source contemplated in the Transitional Provisions contained in Schedule 2 of the Act; and

- (b) the Minister or the Department to pay outstanding obligations arising from the Transitional Provisions contained in Schedule 2 of the Act,

must be paid into a banking account referred to in section 14 (2) of the Act.

(3) A SETA must maintain the account referred to in subregulation (2) until all outstanding obligations arising from the Transitional Provisions contained in Schedule 2 of the Act are finalised.

#### **Transfer of funds by Minister if administration of SETA is taken over**

5. In order to transfer any funds in a SETA's bank account to the National Skills Fund in terms of section 15(2)(d) of the Act, the Minister may, in a notice issued by him or her in terms of section 15(1) of the Act, require—

- (a) the SETA concerned to identify any bank account or other financial account operated by the SETA; and
- (b) a bank or other financial institution concerned to transfer, in accordance with section 15(2)(d) of the Act, the funds in the account contemplated in paragraph (a) to a bank account opened and administered for that purpose by the National Skills Fund.

#### **Allocation of grants by SETA**

6. (1) A SETA must allocate a mandatory grant to an employer if—
- (a) the employer has submitted an application for a grant in the form prescribed in Annexure A to these Regulations; or

(b) the employer has submitted an application for a grant in the form prescribed in Annexure B to these Regulations.

(2) The mandatory grant to be paid by the SETA in terms of—

(a) subregulation (1)(a), must be equivalent to 15 per cent of the total levies paid by the employer in terms of section 3(1) of the Skills Development Levies Act during each financial year; and

(b) subregulation (1)(b), must be equivalent to 50 per cent for the 2001/2 financial year and 45 per cent for the 2002/3 financial year of the total levies paid by the employer in terms of section 3(1) of the Skills Development Levies Act.

(3) A SETA may of any surplus moneys determine and allocate discretionary grants to—

(a) an employer if the employer has submitted an application for a discretionary grant in the form prescribed in Annexure C to these Regulations; and

(b) education and training providers and workers if the education and training providers and workers concerned have submitted an application for a discretionary grant in the form prescribed in Annexure D to these Regulations.

(4) The discretionary grants referred to in subregulation (3) must be approved by the SETA before the relevant training programme, initiative or research commences.

5) Each SETA must prepare and distribute to employers and education and training providers and workers a schedule setting out the dates by which employers and education and training providers and workers must submit their

applications for the grants as contemplated in subregulations (1) and (3), including any circumstances under which employers and education and training providers and workers may be granted extensions to the dates stipulated by the relevant SETA for the submission of applications.

### **Matters arising under Funding Regulations**

7. Any financial matter concerning the financial year ending 31 March 2001 must be dealt with in terms of the Funding Regulations 2000/2001.

### **Commencement**

8. These Regulations come into effect on 22 June 2001.

**ANNEXURE A****SKILLS DEVELOPMENT ACT, 1998  
SKILLS DEVELOPMENT REGULATIONS****NAME AND ADDRESS OF SETA****APPLICATION FOR MANDATORY GRANT BY EMPLOYER  
[Regulation 6 (1)(a)]**

Note: This form must be completed if the employer has submitted a workplace skills plan. The employer must submit this form by a date to be determined by the relevant SETA. This mandatory grant must be 15 per cent of the total levies paid by the employer.

- Part A(1) – Details of Employer and Skills Development Facilitator(s)
- Part A(2) – Annual Skills Priorities (table 1)
- Part A(3) – Proposed Beneficiaries (table 2)
- Part A(4) – Development and Consultative Processes
- Part A(5) – Authorisation

**A(1). Details of Employer and Skills Development Facilitator****1. Name of Organisation:**

.....  
.....

**2. Postal address:**

.....  
.....

**City and Province:.....Postal code:.....**

**3. Physical address:**

(If the workplace skills plan is submitted on behalf of one or more establishments, please attach a list of names and addresses, including physical and postal addresses).

**4. Skills Development Levy (SDL) number:****5. Telephone number:****6. Fax number:****7. E-mail address:****8. Banking details:**

|                 |  |
|-----------------|--|
| Name of Bank    |  |
| Address of Bank |  |
| Bank Sort Code  |  |
| Account number  |  |

**9. Main business activity (use SIC code):**

**10. Total employment (defined as total workforce in respect of which skills development levies have been paid to SARS):**

.....

**11. Total annual payroll for the end of the previous financial year:**

.....

**12. Name(s) of Skills Development Facilitator(s) (SDF):**

.....

.....

**13. Address (if different from address of organisation indicated above):**

.....

.....

**14. Contact details of SDF:**

**(a) Telephone number:**

**(b) Mobile telephone number:**

**(c) Fax number:**

**(d) E-mail address:**

## A(2). Annual Skills Priorities

## **Strategic skills development priorities for the financial year 1/4/... to 31/3/....**

**A(3). Proposed Beneficiaries**

| Occupation                                   | Skills priorities<br>[use skills<br>priority number<br>from Part A(2)<br>above] | Number of beneficiaries per population group |   |   |           |   |   |         |   |   |        |   |   |       |
|--|---|--|---|---|-----------|---|---|---------|---|---|--------|---|---|-------|
|  |   | African                                      |   |   | Coloureds |   |   | Indians |   |   | Whites |   |   | Total |
|  |   | M  | F | D | M         | F | D | M       | F | D | M      | F | D | M     |
| Senior officials and managers/owner managers |   |  |   |   |           |   |   |         |   |   |        |   |   |       |
| Professionals                                |   |  |   |   |           |   |   |         |   |   |        |   |   |       |
| Technicians and associated professionals     |   |  |   |   |           |   |   |         |   |   |        |   |   |       |
| Clerical and/or administrative workers       |   |  |   |   |           |   |   |         |   |   |        |   |   |       |
| Service workers                              |   |  |   |   |           |   |   |         |   |   |        |   |   |       |
| Agricultural and fishery workers             |   |  |   |   |           |   |   |         |   |   |        |   |   |       |
| Skilled workers                              |   |  |   |   |           |   |   |         |   |   |        |   |   |       |
| Plant/machine operators and assemblers       |   |  |   |   |           |   |   |         |   |   |        |   |   |       |
| Labourers                                    |   |  |   |   |           |   |   |         |   |   |        |   |   |       |
| Apprentices and Section 18(2) learners       |   |  |   |   |           |   |   |         |   |   |        |   |   |       |
| <b>Total</b>                                 |   |  |   |   |           |   |   |         |   |   |        |   |   |       |

In the table above: M = Male, F = Female, D = Person with disability

**A(4). Development and Consultative Processes**

1. Describe the processes used to develop the workplace skills plan.
2. How does the plan relate to the organisation's Employment Equity Plan?
3. If a Skills Development Committee has been established, please outline its composition. Was the draft plan reviewed and considered by the Committee?
4. If no Committee exists, please outline the steps taken to consult employees about the workplace skills plan.

**A(5). Authorisation****Representative of Employer / Management**

Signature: .....

Position in Organisation: .....

Date: .....

Witness(es): .....

**Representative of Workforce**

Signature: .....

Position in Organisation: .....

Date: .....

Witness(es): .....

**Declaration by employer**

This is to confirm that this Organisation is up to date with levy payments to the Commissioner of the South African Revenue Services.

Signed: .....

Position in Organisation: .....

Date: .....

**A SETA MAY PROPOSE A MORE SIMPLIFIED VERSION OF THIS FORM FOR ORGANISATIONS WITH LESS THAN 50 EMPLOYEES.**

**A SETA MAY ADD TO THIS FORM REQUESTS FOR OTHER INFORMATION THAT IT MAY REQUIRE IN ORDER TO IMPLEMENT ITS SECTOR SKILLS PLAN.**

**ANNEXURE B****SKILLS DEVELOPMENT ACT, 1998****SKILLS DEVELOPMENT REGULATIONS****NAME AND ADDRESS OF SETA****APPLICATION FOR MANDATORY GRANT BY EMPLOYER****[Regulation 6 (1)(b)]**

Note: This form must be completed if the employer has submitted a workplace skills report. The employer must submit this form by a date to be determined by the relevant SETA. This mandatory grant must be 50 per cent for the 2001/2 financial year and 45 per cent for the 2002/3 financial year of the total levies paid by the employer.

- Part B(1) – Details of Employer and Skills Development Facilitator(s)
- Part B(2) – Education and Training programmes provided
- Part B(3) – Report on beneficiaries who have received training
- Part B(4) – Development and Consultative Processes
- Part B(5) – Authorisation

**B(1). Details of Employer and Skills Development Facilitator****1. Name of Organisation:**

.....  
.....

**2. Postal address:**

.....  
.....

**City and Province:**..... **Postal code:**.....

**3. Physical address:**

.....  
.....

(If the workplace skills report is submitted on behalf of one or more establishments, please attach a list of names and addresses, including physical and postal addresses).

**4. Skills Development Levy (SDL) number:**

.....

**5. Telephone number:**

.....

**6. Fax number:**

.....

**7. E-mail address:**

.....

**8. Banking details:**

|                 |  |
|-----------------|--|
| Name of Bank    |  |
| Address of Bank |  |
| Bank Sort Code  |  |
| Account number  |  |

**9. Main business activity (use SIC code):**

.....

**10. Total employment (defined as total workforce in respect of which skills development levies have been paid to SARS):**

.....

**11. Total annual payroll for the end of the previous financial year:**

.....

**12. Name(s) of Skills Development Facilitator(s) (SDF):**

.....

.....

**13. Address (if different from address of organisation indicated above):**

.....

.....

**14. Contact details of SDF:**

**(a) Telephone number:**

.....

**(b) Mobile telephone number:**

.....

**(c) Fax number:**

.....

**(d) E-mail address:**

.....

**B(2). Education and Training programmes provided**

**Strategic skills development priorities listed in the workplace skills plan may have changed over the reporting year. The table below must be completed in order to record the education and training programmes actually delivered.**

## **Annual Education and Training Programmes**

**B(3). Report on training provided to beneficiaries**

This table must be completed in order to record the beneficiaries having received training.

| Occupation                                   | Education and training programmes provided<br>[use skills priority number from Part B(2)] | Beneficiaries |   |   |           |   |   |         |   |   |        |   |   | Number of beneficiaries per population group |   |   |   |   |   |
|--|---|---------------|---|---|-----------|---|---|---------|---|---|--------|---|---|--|---|---|---|---|---|
|  |   | African       |   |   | Coloureds |   |   | Indians |   |   | Whites |   |   | Total  |   |   |   |   |   |
|  |   | M             | F | D | M         | F | D | M       | F | D | M      | F | D | M  | F | D | M | F | D |
| Senior officials and managers/owner managers |   | Attended      |   |   |           |   |   |         |   |   |        |   |   |  |   |   |   |   |   |
|  |   | Completed     |   |   |           |   |   |         |   |   |        |   |   |  |   |   |   |   |   |
| Professionals                                |   | Attended      |   |   |           |   |   |         |   |   |        |   |   |  |   |   |   |   |   |
|  |   | Completed     |   |   |           |   |   |         |   |   |        |   |   |  |   |   |   |   |   |
| Technicians and associated professionals     |   | Attended      |   |   |           |   |   |         |   |   |        |   |   |  |   |   |   |   |   |
|  |   | Completed     |   |   |           |   |   |         |   |   |        |   |   |  |   |   |   |   |   |
| Clerical and/or administrative workers       |   | Attended      |   |   |           |   |   |         |   |   |        |   |   |  |   |   |   |   |   |
|  |   | Completed     |   |   |           |   |   |         |   |   |        |   |   |  |   |   |   |   |   |
| Service workers                              |   | Attended      |   |   |           |   |   |         |   |   |        |   |   |  |   |   |   |   |   |
|  |   | Completed     |   |   |           |   |   |         |   |   |        |   |   |  |   |   |   |   |   |
| Agricultural and fishery workers             |   | Attended      |   |   |           |   |   |         |   |   |        |   |   |  |   |   |   |   |   |
|  |   | Completed     |   |   |           |   |   |         |   |   |        |   |   |  |   |   |   |   |   |
| Skilled workers                              |   | Attended      |   |   |           |   |   |         |   |   |        |   |   |  |   |   |   |   |   |
|  |   | Completed     |   |   |           |   |   |         |   |   |        |   |   |  |   |   |   |   |   |
| Plant/machine operators and assemblers       |   | Attended      |   |   |           |   |   |         |   |   |        |   |   |  |   |   |   |   |   |
|  |   | Completed     |   |   |           |   |   |         |   |   |        |   |   |  |   |   |   |   |   |
| Labourers                                    |   | Attended      |   |   |           |   |   |         |   |   |        |   |   |  |   |   |   |   |   |
|  |   | Completed     |   |   |           |   |   |         |   |   |        |   |   |  |   |   |   |   |   |
| Apprentices and Section 18(2) learners       |   | Attended      |   |   |           |   |   |         |   |   |        |   |   |  |   |   |   |   |   |
|  |   | Completed     |   |   |           |   |   |         |   |   |        |   |   |  |   |   |   |   |   |
| Total  |   |               |   |   |           |   |   |         |   |   |        |   |   |  |   |   |   |   |   |

In the table above: M = Male, F = Female, D = Person with disability

**B(4). Development and Consultative Processes**

1. Describe the process used to develop the report on the implementation of the workplace skills plan.
2. How did the plan assist in achieving the organisation's Employment Equity Plan goals?
3. If a Skills Development Committee has been established, please outline its composition.
4. Did the Skills Development Committee review the Implementation Report? If not, what arrangements were made to ensure that worker representatives had an opportunity to comment on the report?

**A(5). Authorisation****Representative of Employer/Management**

Signature: .....

Position in Organisation: .....

Date: .....

Witness(es): .....

**Representative of Workforce**

Signature: .....

Position in Organisation: .....

Date: .....

Witness(es): .....

**Declaration by employer**

This is to confirm that this Organisation is up to date with levy payments to the Commissioner of the South African Revenue Services.

Signed: .....

Position in Organisation: .....

Date: .....

**A SETA MAY PROPOSE A MORE SIMPLIFIED VERSION OF THIS FORM FOR ORGANISATIONS WITH LESS THAN 50 EMPLOYEES.**

**A SETA MAY ADD TO THIS FORM REQUESTS FOR OTHER INFORMATION THAT IT MAY REQUIRE IN ORDER TO IMPLEMENT ITS SECTOR SKILLS PLAN.**

**ANNEXURE C****SKILLS DEVELOPMENT ACT, 1998****SKILLS DEVELOPMENT REGULATIONS****NAME AND ADDRESS OF SETA****APPLICATION FOR DISCRETIONARY GRANT BY EMPLOYER****[Regulation 6(3)(a)]**

Note: This form must be completed by the employer if the employer applies for a discretionary grant for skills development programmes and activities that assist the SETA to implement its sector skills plan. These grants will only be made if the SETA has funds available.

**DATE:**.....**CLAIM NO.:**.....**Details of Employer/Organisation****1. Name of Organisation:**

.....

**2. Postal address:**

.....

.....

.....

.....

**City and Province:**..... **Postal code:**.....**3. Physical address:**

.....

.....

.....

.....

**4. Contact person of Organisation:**

.....  
.....

**5. Telephone number:**

.....  
.....

**6. Mobile telephone number:**

.....  
.....

**7. E-mail address:**

.....  
.....

**8. Fax number:**

.....  
.....

**9. Skills Development Levy (SDL) number:**

.....  
.....

**10. Banking details:**

|                 |  |
|-----------------|--|
| Name of Bank    |  |
| Address of Bank |  |
| Bank Sort Code  |  |
| Account number  |  |

**LEARNERSHIPS**

|  |               |
|--|---------------|
| <b>Are you applying for a grant?</b>   | <b>Yes/No</b> |
| <b>Is the learnership agreement registered with the SETA?</b>                                      | <b>Yes/No</b> |
| <b>What is the learnership registration code?</b>  |               |
| <b>What is the number of the learnership agreement?</b>  |               |
| <b>What is the date the learnership was agreed by the SETA?</b>                                    |               |
| <b>What are the names of the learners involved in the learnership for which a grant is sought?</b> |               |
| <b>What is the amount of the grant claimed?</b>  |               |
| <b>Is this for implementation of a learnership?</b>  | <b>Yes/No</b> |
| <b>Is this for a learner allowance for section 18(2) learners?</b>                                 | <b>Yes/No</b> |
| <b>If 'yes' please state the amount claimed for the learner allowance</b>                          |               |

**SKILLS PROGRAMMES**

| <b>Are you applying for a grant?</b>  | <b>Yes/No</b>                                 |                       |
|---|---|-----------------------|
| <b>Do you have an agreement with the SETA for this grant?</b>   | <b>Yes/No</b>                                 |                       |
| <b>If 'yes', please confirm the date of the agreement with the SETA</b>   |   |                       |
| <b>Are the skills programmes that you are offering in accordance with section 20 of the Skills Development Act?</b> | <b>Yes/No</b>                                 |                       |
| <b>If 'no', please explain</b>  |   |                       |
| <b>NAME OF PERSON<br/>COMPLETING SKILLS<br/>PROGRAMME</b>   | <b>DETAILS OF<br/>PROGRAMME<br/>COMPLETED</b> | <b>AMOUNT CLAIMED</b> |
|   |   |                       |
|   |   |                       |
|   |   |                       |
|   | <b>TOTAL</b>                                  |                       |

**Note:** The total of any grants paid to an employer in respect of employees who earn sufficient credits in terms of skills programmes to achieve a full learnership qualification may not be greater than the grants that the employer would have received in grants for the relevant learnership.

**APPRENTICESHIPS**

|   |               |
|---|---------------|
| <b>Are you applying for a grant?</b>  | <b>Yes/No</b> |
| <b>What is the date of the registration of the apprenticeship?</b>                    |               |
| <b>What is the contract number?</b>   |               |
| <b>What is the date of the commencement of the apprenticeship?</b>                    |               |
| <b>What is the date of the completion of the apprenticeship?</b>                      |               |
| <b>What does the grant cover? (e.g. off-the-job training costs)</b>                   |               |
| <b>What are the name (s) of the apprentices in respect of whom a grant is sought?</b> |               |
| <b>What is the amount being claimed?</b>  |               |

**IMPLEMENTATION OF SECTOR SKILLS PLAN**

|   |               |
|---|---------------|
| <b>Are you applying for a grant?</b>  | <b>Yes/No</b> |
| <b>What is the name of the project?</b>   |               |
| <b>What is the reference number of the project?</b>   |               |
| <b>What is the total amount of the grant agreed with the SETA before the project began?</b> |               |
| <b>What is the amount being claimed?</b>  |               |

**Documentary evidence**

**RELEVANT SETA TO SPECIFY DOCUMENTARY AND OTHER SUPPORTING EVIDENCE THAT IT MIGHT REQUIRE TO SUBSTANTIATE THE CLAIM.**

**Declaration by employer**

This is to confirm that this information is correct and that the grant(s) will be used solely for the purpose(s) for which it (they) is (are) claimed.

Signed: .....

Position in Organisation: .....

Date: .....

**A SETA MAY ADD TO THIS FORM REQUESTS FOR OTHER INFORMATION THAT IT MAY REQUIRE IN ORDER TO IMPLEMENT ITS SECTOR SKILLS PLAN AND THAT IS RELEVANT TO THE GRANT(S) BEING CLAIMED.**

**ANNEXURE D****SKILLS DEVELOPMENT ACT, 1998****SKILLS DEVELOPMENT REGULATIONS****NAME AND ADDRESS OF SETA****APPLICATION FOR DISCRETIONARY GRANT BY EDUCATION AND TRAINING PROVIDER AND WORKER****[Regulation 6 (3)(b)]**

Note: This form must be completed by an education and training provider and worker if that education and training provider and worker applies for a discretionary grant for supporting the SETA with the implementation of its sector skills plan.

**DATE:**.....**CLAIM NO.:**.....**Details of Individual/Organisation****1. Name of person or Organisation:****2. Postal address:****City and Province:**..... **Postal code:**.....**3. Physical address:****4. Contact person:****5. Telephone number:**

**6. Mobile telephone number:**

.....

**7. E-mail address:**

.....

**8. Fax number:**

.....

**Details of Project****1. Name:**

.....

**2. SETA Reference Number:**

.....

**3. Date of agreement with SETA:**

.....

**4. Amount of grant agreed by SETA before commencement of project:**

.....

**Details of Claim****Amount claimed: R****Banking details:**

|                 |  |
|-----------------|--|
| Name of Bank    |  |
| Address of Bank |  |
| Bank Sort Code  |  |
| Account number  |  |

**Documentary evidence****RELEVANT SETA TO SPECIFY DOCUMENTARY AND OTHER SUPPORTING EVIDENCE THAT IT MIGHT REQUIRE TO SUBSTANTIATE THE CLAIM****Declaration by Individual/Organisation**

This is to confirm that this information is correct and that the grant will be used solely for the purpose(s) for which it is claimed.

Signed: .....

Individual/Position in Organisation: .....

Date: .....

**A SETA MAY ADD TO THIS FORM REQUESTS FOR OTHER INFORMATION THAT IT MAY REQUIRE IN ORDER TO IMPLEMENT ITS SECTOR SKILLS PLAN AND THAT IS RELEVANT TO THE GRANT BEING CLAIMED.**

## SKILLS DEVELOPMENT REGULATIONS

### GUIDELINES

#### Introduction

1. The Minister of Labour is publishing Regulations about the skills grants to be paid by Sector Education and Training Authorities (SETAs). These Guidelines seek to explain the Regulations and provide advice to employers and others on how to claim grants.

#### Claiming grants: general information

2. Employers who are up-to-date with the payment of the skills levy can claim skills grants from their SETA. Their SETA is the one to which employers pay their levies.
3. Each SETA will decide the dates by which applications for grants must be made. They will let employers know about these arrangements. Employers may also approach their SETA for information.
4. Training providers and workers may also seek grants from a SETA. These grants may be given to projects, programmes and research activities if they support the implementation of the sector skills plan that each SETA has developed. Each SETA will publish details about the grants and how to apply for them.

#### Grants

5. There are six types of grants that an employer might claim. These are:
  - a workplace skills grant;
  - a workplace skills implementation grant;
  - a grant towards the costs of learnerships and learner allowances
  - a grant towards the costs of skills programmes;
  - a grant towards the costs of providing apprenticeship training; and
  - a grant towards a programme, project or research activity that helps the relevant SETA to implement its sector skills plan.
6. The first two grants – **for the submission of a workplace skills plan**, and for a subsequent **implementation report on the training provided** – MUST be paid by the relevant SETA as long as an employer submits the application correctly on time, as assessed by the appropriate SETA. The Regulations refer to these as mandatory grants.

7. The workplace skills planning grant is fixed as a percentage of the levies paid by an employer. An employer who makes an application on time and in the proper way will receive 15 per cent of the total of the levies s/he has paid. Similarly the workplace skills implementation report will be, in 2001/2, 50 per cent of the total levies paid and in 2002/3, 45 per cent of the total levies paid.
8. The other grants are discretionary and a SETA MAY pay these. It will decide the grants it will pay on the basis of the contribution that the skills development activities being proposed will contribute to the implementation of the SETA's sector skills plan. For example, there may be a number of requests for grants to support learnerships. If a choice has to be made between a number of different applications for such grants, the SETA will make its decisions on the basis of the priorities set out in its sector skills plan..
9. Each SETA will determine the amounts of all the other grants. **Applications for these grants MUST be made and approved by the SETA before any training or other activity starts.**

### **Consultation arrangements**

10. Before describing each of the grants it is important to stress, that although the majority of grants are made to employers, the need for meaningful consultation between employers and workers prior to grant applications. This is fundamental to the success of the national skills development strategy.
- 11 It is important that employees are consulted about the person(s) to be designated as skills development facilitators, the workplace skills plan and the report on the implementation of the workplace skills plan. It is strongly recommended for organisations with more than 50 employees that a Skills Development Committee is established for the purposes of consultation on training matters. This committee, as a whole, should reflect the interests of employees from all occupational categories in the organisation's workforce. All trades unions that represent 10 per cent or more of the workforce or represent a significant occupational group should be invited to take part in this committee. A trade union that represents 80 per cent or more of the workforce may be the sole representative.

## **MANDATORY GRANTS**

### **Workplace skills planning grant**

12. Each up-to-date levy-paying employer may expect a grant from the relevant SETA, if:
  - at least one skills development facilitator is designated by the employer and the name is submitted to the SETA
  - a workplace skills plan is correctly submitted to the SETA at the appropriate time (see Annexure A of the Regulations)
13. A *workplace skills plan* is important to:

- employers to provide a strategic basis for planning the development of the workforce and organisation
- workers to provide opportunities for enhanced job satisfaction and promotion prospects
- SETAs to assist in the identification of imbalances in the supply of, and demand for, skilled labour. This information can also be used by school leavers and unemployed people to inform choices about training options
- the Government to assist in the development and review of the National Skills Development Strategy that must be demand-led and sensitive to labour market needs.

### **Skills Development Facilitator**

14. Each employer, after consultation with the workforce, must designate at least one **skills development facilitator**. For multi-site or large organisations, more than one facilitator might be appropriate. Small employers, with less than 50 employees or with a sales turnover less than that specified in Schedule 4 to the Employment Equity Act (Act 55 of 1998), may wish to designate a skills development facilitator jointly. Employers should provide the skills development facilitator with the resources, facilities and training to enable her/him to perform the role.

15. The functions to be performed by a skills development facilitator are to:

- assist the employer and employees to develop the workplace skills plan
- advise the employer and employees on the implementation of the workplace skills plan
- assist the employer to draft the annual report on the implementation of the workplace skills plan (see the details of the next grant)
- advise the employer of any quality standards set by the SETA
- act as a contact person between the employer and the SETA, and
- serve as a resource with regard to all aspects of skills development.

16. If a skills development facilitator leaves the organisation, or for any other reason ceases to perform the role, the employer should designate another skills development facilitator and inform the appropriate SETA.

### **Workplace Skills Plan**

17 Based on the analysis of business requirements and the skill needs of current staff, the workplace skills plan must define the skills priorities that each workplace will pursue, the training programmes that are required to meet and deliver those priorities and the staff who will be targeted for training –‘the beneficiaries’

18. Each SETA will provide employers with the application forms to claim this grant, together with details of the dates by which completed forms must be submitted to the appropriate SETA. A SETA may also publish more detailed guidance on how to apply for this grant.
19. Each SETA is able to amend the outline design of forms included in the Regulations so that it can collect more sector specific data. A SETA may also simplify the form for organisations with fewer than 50 employees.

### **Workplace skills report grant**

20. Employers who are up-to-date with their levy payments can claim a grant from the appropriate SETA if they submit a report each year on the implementation of their workplace skills plan before the date stipulated by the SETA. The form of this report is Annexure B of the Regulations, but a SETA is able to modify this to take account of sector differences. The implementation report is important to:
  - employers and workers to assess the progress that is being made
  - SETAs, to review progress and problems and to assist employers, workers and the sectors as a whole to determine any additional support and advice that might be required
  - Government, to inform the monitoring of progress in addressing skills development priorities and in identifying any problems that might need to be addressed.

21. Each SETA will inform employers of the dates by which applications for this grant must be submitted and each may issue additional guidance to assist employers to complete the implementation report.
22. Attached to these guidelines is a list of occupations that may assist organisations to complete the workplace skills plan and the workplace skills report.

### **DISCRETIONARY GRANTS**

#### **Learnerships**

23. Any employer may seek a grant from a SETA to support the implementation of **learnerships**. Each SETA will determine the level of the grant and details of the grant will be registered with the Department of Labour when each learnership is registered.
24. There are two possible types of grants to support learnerships. The first is a grant to offset the costs of implementing a learnership, (e.g. off-the-job education and training provider fees). The second is a grant that may be paid to subsidise the learner's allowance if the learner was unemployed immediately before starting the learnership. (a section 18(2) learner). The learner allowance must be in terms of the Learnership Determination published by the Minister of Labour on 15 June 2001.

25. It is a matter for each SETA to decide how many and which applications it will support. Each SETA will need to make its decisions in the light of the priorities of its sector skills plan and the amounts of money it has available to support learnerships.
26. A SETA must inform an employer whether or not it will make a grant before the learnership starts. The SETA will agree with the employer when the grant will be paid, e.g. if this will be in staged payments or only once the learnership is successfully concluded.
27. Each SETA will establish and publicise its criteria for approving the learnership grants.

### **Skills Programmes**

28. Any employer may claim a grant towards the costs of providing **skills programmes**. It is for each SETA to determine arrangements for the applications for grants and the amounts. Any application for a grant must be submitted to the appropriate SETA, and approved by it, before the skills programmes start.
29. It may be that a person completes a series of skills programmes that result in a full learnership qualification. If the employer receives grants for the skills programmes, the total of the grants that the employer receives must be no greater than the grants s/he would have got had the employee undertaken a learnership programme resulting in the same final qualification.

### **Apprenticeships**

30. There are, and will continue to be, **apprenticeships**, until the Minister of Labour declares a date after which all apprenticeships will become learnerships. It is still open to employers to seek to register apprenticeships.
31. Unless otherwise agreed, the appropriate SETA must honour any commitments to pay grants to employers that were agreed by a former Industry Training Board. It is for each SETA to determine and publish the level and criteria for new apprenticeship grants. Any grant must be agreed between the employer and the SETA before a new apprenticeship begins.

### **Sector Priorities**

32. A major function of the SETAs is the implementation of their **sector skills plans**. In order to do this a SETA may make a grant to an employer, to a training provider or to an individual. For example, a grant might be to finance research or to develop the training infrastructure in a sector. The grants will be determined by each SETA, which will also publish details of how to apply.

## Annex to Guidelines

### Definitions

#### Occupational Groups

**Senior officials and managers:** People who plan, direct and co-ordinate the activities of a business/organization in either the private or the public sector. *Examples are chief executives, managing directors, administration, financial, production and catering managers, school principals, etc.*

**Professionals:** People who possess a high level of professional knowledge and experience in a field of physical and life science or the social sciences and humanities. *Examples are scientist, engineers, computer programmers, accountants, teaching professionals, management consultants, medical practitioners, priests, attorneys, social workers, etc.*

**Technicians and associated professionals:** People who possess technical knowledge and experience in a field of the physical and life sciences or the social sciences and humanities. *Examples are clerks of work, pilots, reporters, telecommunication technicians, nursing assistants, insurance agents, property agents, etc.*

**Clerks and administrative staff:** People who organize, store, compute and retrieve information. Typical tasks are secretarial duties, operating word processors and other office machines, recording and computing numerical data, mail services, money-handling operations and appointments. *Examples are secretaries, messengers, coders, cashiers, tellers, switchboard operators, administrative assistants, bookkeepers, store clerks, etc.*

**Service workers:** People who provide personal and protective service or who sell goods in shops or at markets. *Examples are transport conductors, police officers, shop attendants, cooks, waiters, retail sales workers, hairdressers, prison wardens, etc.*

**Agricultural and fishery workers:** People who grow crops, breed or hunt animals, breed or catch fish or cultivate or harvest forests. *Examples are farmers, crop growers, fishermen, horticulturists, forestry workers, etc.*

**Skills workers:** People who apply the knowledge and experience of skilled trades and handicrafts to extract raw materials, construct buildings and other structures or make various products, including handicraft goods. *Examples are miners, ore processors, bricklayers, carpenters, plumbers, electricians, painters, aircraft mechanics, welders, glass-makers, fitter and turners, boiler makers, clothes and shoemakers, locksmiths, etc.*

**Plant and machine operators and assemblers:** People who operate and monitor large-scale and often highly automated industrial machinery and equipment. *Examples are lathe operators, railway signallers, Production supervisors, motor mechanics, mine drills operators, assembly line workers, etc.*

**Labourers:** People who perform mostly simple and routine tasks, involving the use of hand-tools and in some cases considerable physical effort, and generally only limited personal initiative and judgement. *Examples are newsvendors, tinkers, charworkers, sweepers, garbage collectors, kitchen workers, farm hands, door-to-door and telephone sales persons, construction workers, quarry workers, security guards, caretakers, etc.*

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