higher education
& training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

Culture, Arts, Tourism, Hospitality and Sport Sector Education and Training Authority (CATHSSETA)

Strategic Plan

for the fiscal year 2018/19

higher education
& training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

cathsseta

Culture, Arts, Tourism, Hospitality and Sport Sector Education and Training Authority

STRATEGIC PLAN

For the Fiscal Years

2015/16 to 2019/20

FOREWORD

I have pleasure in presenting the Strategic Plan for the Culture, Arts, Tourism, Hospitality and Sport Sector Education and Training Authority (CATHSSETA) for the period 1 April 2015 to 31 March 2020. This document is presented in terms of the *Skills Development Act 97 of 1998* and the *Public Finance Management Act (Act 1 of 1999, as amended).*

This document is a product of the tireless work of the new Accounting Authority, management and staff of CATHSSETA. It is an encouraging milestone given that the organisation is still in a transition stage from the administration period to the new governance structure. A critical challenge in our work has been to sustain a 'clean' audit report for the last financial year. Going forward, we are confident that, notwithstanding the challenges, our performance would steadily improve.

Our stakeholders and service providers remain critical of our work. To improve on our relationship, CATHSSETA extended its physical footprint by establishing offices at six TVET Colleges across the country. This should enhance service accessibility, improve partnerships with TVET Colleges and improve work placement (WIL) opportunities.

In conclusion, I wish to thank all individuals and organisations that responded to my invitation to participate and provided valuable inputs to this plan, the Accounting Authority, Department of Higher Education and Training (DHET) for their support, CATHSSETA management and staff for their continued hard work. In time, I hope we will look back and feel vindicated by the emergence of CATHSSETA as a leader in facilitating skills development.

Pumzile Kedama (Mr)
Chairman of the Board

OFFICIAL SIGN OFF

It is hereby confirmed that this Strategic Plan for the Culture, Arts, Tourism, Hospitality and Sport Sector Education and Training Authority (CATHSSETA):

- was developed by the management team of CATHSSETA under the guidance of the Accounting Authority and in consultation with stakeholders;
- takes into account the relevant legislation, policies and other mandates for which CATHSSETA is responsible; and
- accurately reflects the strategic goals and objectives which CATHSSETA will endeavour to achieve over the period 2015/16 to 2019/20.

This Strategy Framework is hereby presented as the guiding document for CATHSSETA for the period 2015/16 to 2019/20 in compliance with the National Treasury Guidelines and subject to the licence redetermination by the Minister of Higher Education and Training during the year 2016/17.

Sabelo Silinga (Mr)
Chief Executive Officer (Acting)

Signature:

Pumzile Kedama (Mr)
Chairman of the Board

Signature:

ABBREVIATIONS AND ACRONYMS

AET	Adult Education and Training
APP	Annual Performance Plan
ATR	Annual Training Report
CATHSSETA	Culture, Arts, Tourism, Hospitality and Sport Sector Education and Training Authority
DHET	Department of Higher Education and Training
ICT	Information and Communications Technology
MOU	Memorandum of Understanding
MTEF	Medium-term Expenditure Framework
MTSF	Medium-term Strategic Framework
NDP	National Development Plan
NGO	Non-Governmental Organisations
NQF	National Qualifications Framework
NSA	National Skills Authority
NSDS	National Skills Development Strategy
NSF	National Skills Fund
PFMA	Public Finance Management Act
PIVOTAL	Professional, Vocational, Technical and Academic Learning
QCTO	Quality Council for Trades and Occupations
RPL	Recognition of Prior Learning
SDL	Skills Development Levy
SETA	Sector Education and Training Authority
SLA	Service Level Agreement
SE	Small Enterprises
SP	Strategic Plan
SRF	Sport, Recreation and Fitness
SSP	Sector Skills Plan
TVET	Technical, Vocational Education and Training
WIL	Work Integrated Learning
WSP	Workplace Skills Plan

CONTENTS

List of Tables

List of Figures

PART A: STRATEGIC OVERVIEW

This document defines the envisaged outcomes for CATHSSETA for the period 2015/16 to 2019/20. Central to its thrust is the defined goals of the *National Skills Development Strategy III (NSDS)* and the achievement of the *National Development Plan (NDP)*. The document seeks to comply with the National Treasury's *Framework for Strategic Plans and Annual Performance Plans (2011)* for developing Strategy and Annual Performance Plans (APP) for public entities. It also seeks to capture the current operating context of the organisation and in pursuance of good governance, improved target performance and optimal functioning as envisaged by the Accounting Authority.

1. VISION

A leader in skills development within our diverse Sector.

2. MISSION

To facilitate skills development through strategic partnerships for CATHSSETA to contribute to economic growth.

3. VALUES

CATHSSETA's institutional values are:

Table 1: CATHSSETA Values

VALUE	WHAT IT MEANS
Service Excellence	• Understand stakeholder needs, respond timeously, efficiently and effectively to stakeholder queries and requests; • Display an image of professionalism and accountability; and • Drive quality and high performance.
Fairness and Transparency	• It conducts its operational business without fear or favour; • All providers feel confident that their bids are given adequate consideration and evaluated professionally; • Stakeholders are entitled to believe that nothing is hidden and there are no undeclared meanings and intentions; and • Everything is in the open for all to see, subject to ethical conduct and legal boundaries.
Respect	• Every stakeholder experiences humane relationships with CATHSSETA employees; • Their self-worth is not eroded or negatively impacted by CATHSSETA employees' conduct or actions; and

VALUE	WHAT IT MEANS
	• CATHSSETA staff practise humility in their relationships with stakeholders.
Accessibility	• Develop and promote skills development programmes to ensure equal access to opportunities by all; • Develop skills development programmes aimed at improving opportunities for people in rural areas; and • Ensure that, upon request, conversations, documentation and publications are translated into the prominent languages of the specific geographical area.
Integrity	• Value openness, honesty, consistency and fairness; • Act in good faith in all its day-to-day activities; • Conduct its operations to fulfil public expectations of CATHSSETA's purpose and goals.
Stakeholder orientation	• Build partnerships with relevant government departments, public and private training providers and organisations; and • Offer quality education and skills development opportunities and experiences to learners to ensure ultimate employability and reduce inequality in the sector.

4.   LEGISLATIVE AND OTHER MANDATES

The Constitution of the Republic of South Africa and various other statutes passed by the National Assembly direct CATHSSETA to perform specific public skills development functions and conduct its operations in specific ways. Various other governmental institutions develop policies with direct relevance and impact on the legislated mandate of CATHSSETA and thus enjoin the organisation to commit resources towards the realisation of such stated government policy imperatives.

4.1.   Constitutional Mandate

Section 29 of the Constitution provides all South Africans with the right to education. It states that everyone has the right to:

- basic education, including adult basic education; and
- further education, which the state, through reasonable measures, must make progressively available and accessible.

Working towards this Constitutional imperative, CATHSSETA is required to develop a credible Sector Skills Plan (SSP), supported by skills development programmes, to serve the interest of the following sub-sectors:

- Arts, Culture and Heritage;
- Conservation;
- Gaming and Lotteries;
- Hospitality;
- Sport, Recreation and Fitness; and
- Tourism and Travel Services

4.2. Legislative Mandate

4.2.1 Skills Development Act 97 of 1998 (as amended)

The *Act* prescribes that CATHSSETA should develop a SSP within the framework of the *National Skills Development Strategy (NSDS)* and implement it by establishing learning programmes, approving workplace skills plans (WSPs) and annual training reports (ATRs), allocating grants in the prescribed manner to employers, education and skills development providers and workers, and monitoring education and skills development in the sector.

It requires CATHSSETA to promote learning programmes by identifying workplaces for practical work experience, supporting the development of learning materials, improving the facilitation of learning, and assisting in the development of skills provision agreements for different learning programmes.

It further requires CATHSSETA and all other SETAs to liaise with the National Skills Authority (NSA) regarding the National Skills Development Policy, the NSDS and its SSP, as well as to submit to the Director-General any budgets, reports and financial statements on its income and expenditure that it is required to prepare in terms of the *PFMA (Act 1 of 1999, as amended)*, strategic plans and reports on the implementation of its Service Level Agreement (SLA), liaise with the provincial offices and labour centres (and any education body, established under any law regulating education in the Republic, to improve information about placement opportunities) and mediate between education and skills development providers and the labour market.

4.2.2 Skills Development Levies Act (9 of 1999 as amended)

The Act makes provision for CATHSSETA to collect levies and distribute them by paying a portion thereof into the account of the National Skills Funds (NSF) and use the remainder in terms of its provision and those of the *Skills Development Act (SDA) 97 of 1998* and *SETA Grant Regulations.*

4.2.3 Public Finance Management Act (1 of 1999 as amended)

As a Schedule 3a public entity, CATHSSETA is obligated to perform to standards and legislated requirements of the *PFMA (Act 1 of 1999, as amended)* and other associated legislation such as the *Broad-Based Black Economic Empowerment Act 53 of 2003.*

4.2.4 Broad-Based Black Economic Empowerment Act 53 of 2003 (as amended)

The amended Code Series 300, Statement 300: The General Principles for Measuring Skills Development prescribes compliance targets and weighting points to be claimed by Measured Entities, subject to verifiable expenditure incurred for training black people on various listed learning interventions. The Code determines that "Workplace Skills Plan, an Annual Training Report and Pivotal Report which are SETA approved" will constitute criteria for Measured Entities to receive points towards their BEE scorecards.

4.2.5 Basic Conditions of Employment Act 75 of 1997: Sectoral Determination No 5: Learnerships

The *Act* makes sectoral determination establish binding conditions of employment and rates of allowances for learners in all sectors where SETAs operate. It, therefore, enjoins the CATHSSETA to observe compliance with such conditions in all the agreements entered into and provide for work integrated learning (WIL).

4.2.6 The SETA Grant Regulations, Notice No. 35940 of 2012

The Grant Regulations regulate the use of monies received by the SETA and processes required for disbursement of such monies. In disbursement of these monies, the SETA must set out the output and outcomes in the APP and demonstrate how it will achieve the objectives of the SSP and the NSDS.

4.2.7   The Promotion of Administrative Justice (PAJA) Act 3 of 2000

PAJA provides everyone a right to administrative action that is lawful, reasonable and procedurally fair, and that everyone whose rights have been adversely affected by administrative actions has the right to be given written reasons.

4.2.8   The Promotion of Access to Information (PAIA) Act 2 of 2000

The *Act* gives effect to the constitutional right to access any information held by the State, and any information that is held by another person, and that is required for the exercise or protection of any rights; and to provide for matters connected therewith.

4.3.   Policy Mandates

4.3.1   National Development Plan

The *National Development Plan (NDP)* identifies skills development and education as a critical enabler for economic development. Not only is education and training important for economic growth, but also empowers people to define their identity, take control of their own lives, raise healthy families and play a meaningful role in broader societal development.

The *NDP* accepts that education, training and innovation are not a solution to our common national problems. Rather it is critical in building our national capacity to solve problems. Hence, addressing our national training and education expectations requires harnessing the capacity of different provider institutions to be effective in delivering to their respective mandates. The NDP proposes actions based on five cross-cutting, interdependent and implementable themes:

* Lay a solid foundation for a long and healthy life and higher educational and scientific achievements;
* Build a properly qualified, professional, competent and committed teaching, academic, research and public service core;
* Build a strong and coherent set of institutions for delivery of quality education, science and technology, training and skills development;
* Expand the production of highly skilled professionals and enhance the innovative capacity of the nation; and
* Create an education and national science system that serves the needs of the society.

CATHSSETA's contribution in the realisation of these themes is as follows:

- Training in the CATHSSETA Sector usually takes the form of in-house or non-accredited training that impacts on the promotion of National Qualifications Framework (NQF) aligned training. In an effort to counteract this practice and in keeping with the vision of the *NDP* to promote accredited training, 80% of all discretionary grants are spent on PIVOTAL programmes in the form of learnerships, bursaries, work integrated learning and skills programmes.

- In line with the *NDP*, CATHSSETA seeks to ensure an improved quality of education at TVET Colleges, with these Colleges becoming preferred institutions of vocational learning. This intervention takes the form of CATHSSETA building partnerships between education institutions and employers, and improving college capacity through interventions addressed at providing TVET College lecturers with exposure to industry.

- Through prioritisation of a qualifications' review, the Chef qualification, the only trade that falls within the CATHSSETA sector, has been reviewed and aligned to artisanal requirements. Further to this, in partnership with UMALUSI, the National Department of Tourism and various industry stakeholders, the review of the National Certificate Vocational (NCV) for both Hospitality and Tourism has been conducted. Based on the findings of the review, these qualifications are being realigned and scoped to industry expectations which will assist in ensuring TVET College graduates are readily absorbed by the labour market.

- To promote the directive on public entities' contribution of training budgets, CATHSSETA has conducted national workshops, in partnership with the Department of Public Service and Administration. Guidelines have been developed and continuous engagement with relevant public entities are currently underway to ensure their contribution to training budgets.

4.3.2   National Skills Development Strategy (NSDS III)

The key driving force of this strategy is to improve the effectiveness and efficiency of the skills development system to respond to the needs of the labour market and address issues of social justice. The strategy seeks to promote and establish closer links between employers, labour and training institutions, and between these role-players and the SETA. It represents an explicit commitment to encourage the link between skills development programmes and career pathways, career development and the promotion of sustainable employment and career progression. As per the Government Gazette of 6 October 2015, the Minister of Higher Education and Training has extended the NSDS III from 1 April 2016 to 31 March 2018.

Parallel with this, the Minister issued a Government Gazette of 15 December 2016 re-establishing the 21 SETAs for a further period of two years ending on the 31 March 2020.

The table below illustrates the link between CATHSSETA programmes and the NSDS goals.

Table 2: Link of CATHSSETA Programmes to NSDS

#	NSDS Goal	CATHSSETA linked priorities	Linked programmes and sub-programmes
1	Establish a credible institutional mechanism for skills planning	Analysis of skills needs in terms of occupational shortages and critical skills	Research and Sector Skills Planning
2	Increase access to occupationally-directed programmes	Qualification review, training provision, TVET capacity building, transformation in the sector, workplace based learning	Provider Accreditation, Certification and Qualification Development
3	Promoting the growth of a public TVET College system that is responsive to sector, local, regional and national skills needs and priorities	TVET capacity building, workplace based learning	Accreditation and Quality Assurance
4	Address the low level of youth and adult language and numeracy skills to enable additional training.	Qualification review, training provision, transformation in the sector	Occupationally directed programmes
5	Encourage better use of workplace-based skills development.	Increased need for partnerships, transformation on the sector	Occupationally directed programmes
6	Encourage and support cooperatives, small enterprises, worker initiated, NGO and community training initiatives.	Training provision, transformation in the Sector	Occupationally directed programmes
7	Increase public sector capacity for improved service delivery and supporting the building of a developmental state.	Increased need for partnerships	Special Projects
8	Building career and vocational guidance.	Increased need for partnerships, workplace-based learning	Career and Vocational Guidance

4.3.3   National Skills Accord

The *Skills Accord* establishes a partnership between DHET, Communities, Organised Business and Labour aimed at promoting common skills development and training needs. The *Accord* has eight (8) commitments, with commitment four (4), six (6) and seven (7) specifically focusing on skills planning and the operations of CATHSSETA.

Commitment four – partners commit to ensuring that part of the Mandatory Grant (10%) is used for funding workplace training for the University of Technology students and TVET College graduates.

Commitment six – partners commit to improving the seniority of their delegations to the SETA Board and that organised labour must approve SSPs and WSPs on the shop floor. Therefore, Workplace Training Committees must ensure that their companies plan properly and address the skills needs of workers. SETAs will not release the Mandatory Grants for WSPs and ATRs unless it is signed off by organised labour in the workplace, and protocols will be developed to ensure this process improves the quality of the SSPs.

Commitment seven – partners commit to ensuring that the funding of training through the SDL is directed towards the training that meets the skills needs of the economy, including the training of professionals and training programmes that lead to qualifications on the NQF.

4.3.4 National HRD Strategy of South Africa

The *National HRD Strategy of South Africa (2010 to 2030)* is a social compact distilling the critical skills challenges for the socio-economic growth and development of the country. The document also sets out collective commitments for all sectors of society. CATHSSETA, as a leading authority in the arena of skills development in its sector, ascribes, and is committed to, realising the following national commitments contained in the *National HRD Strategy* as outlined in the table below:

Table 3: CATHSSETA Contribution to NHRDS Commitments

NHRDS Commitment	CATHSSETA contribution
Address shortages of supply of people with priority skills	Support the commitment to overcome the shortages in the supply of priority skills through training of employed and unemployed people on PIVOTAL programmes.
Increase the number of appropriately skilled people	Increase the number of appropriately skilled people to meet the demands of our current and emerging economic and social development priorities.
Implementation of skills development programmes	Urgently implement skills development programmes that are purposefully aimed at equipping recipients/citizens with requisite skills to overcome the scourge of poverty and unemployment.
Promote access to education and training	Ensure that young people have access to education and training by implementing the NSDS transformational and developmental imperatives which ensures that at least 60% of all training initiatives are aimed at youth.
Improve technological and innovation capability	Contribute to the improvement of the technological and innovation capability and outcomes in the public and private sectors by funding post-graduate studies and research studies.

4.3.5 Medium-Term Strategic Framework (MTSF)

The *MTSF* outlines Government priority spending and delivery areas for the period 2014 – 2019 electoral terms. It reflects the commitments made in the election manifesto of the governing party. It sets out the actions that Government will take and the targets to be achieved. The MTSF is structured around fourteen (14) priority outcomes which cover the focus areas identified in the *NDP* and the Government's electoral mandate. The following six (6) priority outcomes have direct relevance for the work of CATHSSETA:

Figure 1: Priority Areas of MTSF relevant to CATHSSETA

The MTSF priority outcomes linked to CATHSSETA

1. *Quality basic education*

2. *Decent employment through inclusive growth*

3. *A skilled and capable workforce to support an inclusive road path*

4. *Vibrant, equitable, sustainable rural communities contributing towards food security for all*

5. *Create a better South Africa and contribute to a better Africa and better world*

6. *A diverse, socially cohesive society with a common national identity*

4.3.6 White Paper on Post-School Education and Training

The *White Paper* was established to ensure a coordinated post-school education and training system, expand access, improve the quality of provision, and ensure the education and training system is responsive to citizens and employers and the broader societal and developmental objectives. It seeks to expand the scope of education and training to include people who did not attend formal education.

The *White Paper* aims to simplify the role of SETAs and build their capacity in line with their redefined roles. In terms of the *White Paper*, SETAs will continue facilitating the development

of skills for those in existing enterprises and skills pipelines in workplaces. This means that SETAs will ensure that the skills requirements of their respective industries are understood and catered for by different providers, as contemplated in this policy document. This practice also means that SETAs will continue to collect and supply credible data from, and to, employers. The Mandatory Grants will continue to be used for data gathering, whilst sector training and training provider capacity will be catered for through Discretionary Grants.

In keeping with the vision of the *White Paper*, CATHSSETA would, via the Discretionary Grant, promote the implementation of PIVOTAL programmes, indicated by Strategic Objective 3.1.1, in terms of occupational shortages identified in the sector for employees and unemployed persons. The Mandatory Grant data is validated to ensure accurate data gathering. In addition, processes for the collection of the Mandatory Grant data are reviewed and updated on an annual basis to ensure continuous assessment and improvement. As it currently stands, the *White Paper* reinforces the vision of the *NDP*. In terms of the TVET College sector, CATHSSETA is instrumental in the review of qualifications offered by TVET Colleges and improving the capacity of TVET College lecturers.

4.4. Relevant court rulings

Business Unity South Africa (BUSA) launched a case against the Minister of the Department of Higher Education and Training requesting the Labour Court to set aside the Regulations 3(12) and 4(4) of the 2012 *SETA Grant Regulations*. In August 2015, the Labour Court handed down judgement declaring Regulations 3(12) and 4(4) of the 2012 SETA Grant regulations invalid. The order was suspended until 31 March 2016. To date, there has not been any further developments on the matter.

Based on advice from the NSA, the Minister of Higher Education and Training re-promulgated Regulation 4(4), which provides that the Mandatory Grant be set at 20%. Regulation 3(12), which provides that the surplus of discretionary funds be paid into the National Skills Fund by 01 October of each year, is still under review. The SETAs were advised to maintain the status quo in relation to Regulation 3(12), pending finalisation of the matter.

5. SITUATIONAL ANALYSIS

The situational analysis seeks to describe the context in which this Strategic Plan (SP) has been developed by discussing the performance environment, the organisational environment and the planning process. The performance environment outlines key issues, demand for services and other factors in the sector. The organisational environment describes the structure and other internal factors within CATHSSETA and the planning process describes the activities and processes followed in developing the SP.

5.1 Performance Environment

CATHSSETA delivers its services to a diverse economic sector comprising six (6) sub-sectors. Each of these sub-sectors remain unique and play a significant role in the economy and the quest for social cohesion. The table below provides key highlights on the sub-sectors, gathered from the Mandatory Grant applications received for the 2017/18 period.

Table 4: CATHSSETA Sub-Sector Summary

SUB-SECTOR	BACKGROUND AND DESCRIPTION
Arts, Culture and Heritage	There is a lack of comprehensive economic data on the Arts, Culture and Heritage industries. Economic performance data from the 2014/15 period indicates that the music, crafts and visual/performing arts contributed R17 billion, R3.3 billion and R1 billion respectively to the country's Gross Domestic Product (GDP). The film, television and music industries are estimated to experience growth in the coming years, with the latter making a gradual recovery from the emergence of paid-for music streaming services.
Conservation	The Conservation sub-sector has experienced a significant increase in the number of employees, from 8 614 in 2016 to 12 835 in the current year. This may be due to an increase in the number of entities participating in the Mandatory Grant application process.
Gaming and Lotteries	Although the smallest sub-sector within the SETA's scope in terms of the number of entities, Gambling and Lotteries are estimated to contribute R34.8 billion to GDP by 2020. The number of employees reported has increased in the past three years, from 24 788 in 2015 to 30 702 in 2017. Thus, the sub-sector remains the second largest in terms of the number of employees.
Hospitality	The Hospitality sub-sector is the largest in terms of the number of entities and employees and employs over 140 000 people, thus accounting for 64% the Sector's employees. With the anticipated establishment of new hotels in the next five years, the room revenue is estimated to grow annually to over R20 million in 2020.
Sport, Recreation and Fitness	This sub-sector experienced the highest increase in the number of reported employees in 2016. In the current year, the number of reported employees has decreased from 15 990 to 14 644. This may be due to the entities down-sizing due to the cancellation of some major sporting events.
Tourism and Travel	The economic performance of the Tourism and Travel sub-sector has remained robust in the past financial year. The sub-sector's direct contribution to the GDP was R127.9 billion in 2016, an increase from R118.6 billion in 2015. The sub-sector generated 716,500 jobs directly in 2016, which represented 4.6% of total Sector employment. The number of reported employees has decreased by 6%, from 17 696 in 2016 to 16 670 in 2017.

Due to the dynamism of the sub-sectors, data on employers and employees is limited. To address this weakness, together with relevant national and provincial government departments in the respective sub-sectors, CATHSSETA completed three research studies. An Impact Assessment Study and a Labour Market Analysis Study were commissioned to service providers. The third study, a Skills Audit, was undertaken in partnership with the Department of Tourism. The findings of these studies have been incorporated into the recent SSP and inform the development priorities of the Sector.

The following departmental strategies continue to influence CATHSSETA's skills development and planning work: Department of Arts and Culture (DAC) Strategy, the National Sport and Recreation Plan (NSRP), the National Tourism Sector Strategy (NTSS) and the Department of Environmental Affairs (DEA) Strategy. These plans stress the importance of leadership and management training in Arts, Culture and Heritage and the need for formal training in heritage conservation and management. Skills development for conservation bodies and recognition of green skills in the Conservation sub-sector remain critical tools for the current plan.

The table below provides an overview of the number and size of entities registered with CATHSSETA.

Table 5: Number and Size of Entities Registered with CATHSSETA

Sub-sector	Size of Entity			Number of entities registered with CATHSSETA	% in the sector
	0-49	50-149	150+		
Arts, Culture & Heritage	2 024	46	23	2 093	7%
Conservation	1 508	30	19	1 557	5%
Gaming & Lotteries	273	35	48	356	1%
Hospitality	18 642	696	298	19 636	69%
Sport, Recreation & Fitness	2 103	75	30	2 208	8%
Travel & Tourism	2 600	77	47	2 724	10%
Total	**27 150**	**959**	**465**	**28 574**	**100%**

Source: CATHSSETA SMS 2017

Small Enterprises* (SEs) comprise a large proportion of entities registered with CATHSSETA. The *Skills Development Act 97 of 1998* mandates that levy paying organisations claim their levies through the Mandatory Grant system. However, SEs with an annual payroll of less than R500 000 are exempted from paying the Skills Development Levy (SDL) and submitting Mandatory Grant applications. This impacts on the quantum of the levies CATHSSETA receives due to the proliferation of the SEs serviced by the SETA. In the 2015/16 financial year, a total of 6 297 entities paid the SDL, which represents 23% of the total number of registered entities. In the 2016/17 period, the number of levy-paying entities increased by 6%, from 6 297 to 6 717, which amounts to over R330 million received in levies.

The figure below outlines the findings from a benchmark exercise conducted by PSETA, which outlines the monthly internship stipends by SETAs.

Figure 2: Monthly Internship Stipends by SETAs

	Cathsseta	Services Seta	LG Seta	Inset Seta	HWSETA Seta	Bank Seta	MerSeta	FoodBev Seta
■ STIPEND AMOUNT	3 000	5 000	3 500	4 500	5 000	5 500	5 500	6 000
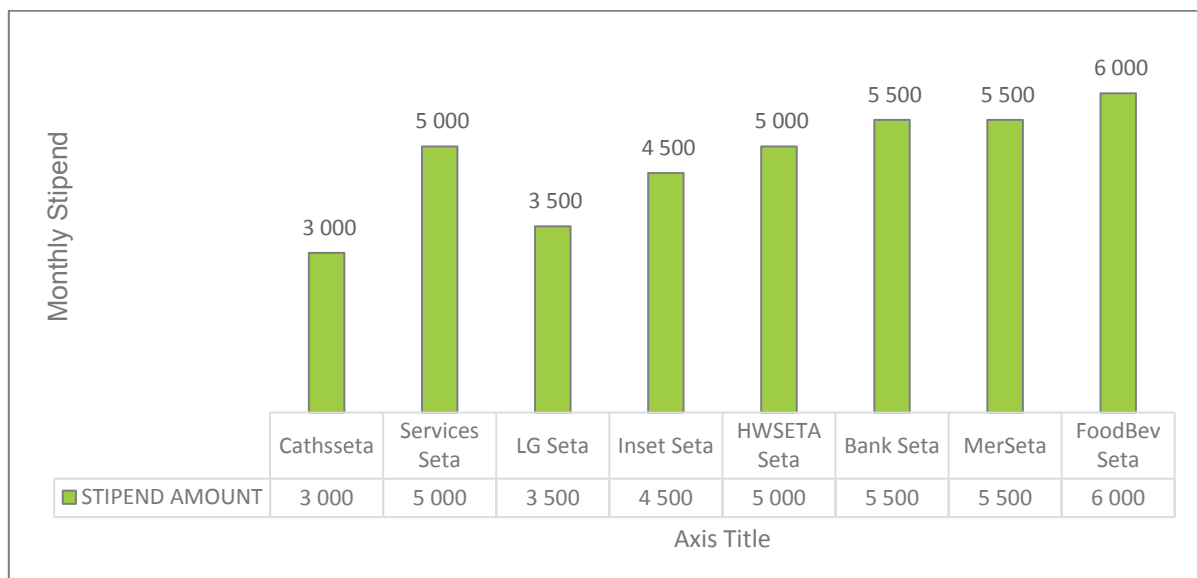
Source: PSETA, 2016

The current tariffs applicable for training cost and learner allowances have been in place for the past 4 years without a review. Against this background, a review exercise was undertaken to ensure alignment with the increased cost of living terms of learner allowances and operational costs incurred by training providers to deliver quality learning programmes.

CATHSSETA's learner allowances for the various interventions are at least, on a comparative basis against the Department of Labour's Sectoral Wage Determination Guidelines for the Hospitality Sector, currently pegged lower than the benchmark. The Internship Allowance is 18.6% lower than the benchmark; while Learnership Allowances are 40% lower than the Hospitality Sector Guideline benchmark.

The increase in learner allowances is a reduction in the number of learners that the SETA is able to fund annually. On the other hand, the positive impact will be an expected increase in percentage completion rate, as learners find an added incentive to complete their training programmes.

The sub-sectors serviced by CATHSSETA are labour intensive and constitute a major source of employment for those at the lower end of the labour market spectrum. Critical in these sub-sectors is the degree to which women, youth and migrant labour gain relatively easy access to employment and entrepreneurship. As a result, these sub-sectors play a significant role in addressing national unemployment.

The CATHSSETA SSP has identified the following key development priorities and actions for the sector:

- Qualification review
- Training provision
- Analysis of skills needs
- Workplace-based learning
- TVET capacity building
- Increased partnerships
- Transformation in the Sector
- Addressing occupational shortages and skills gaps

CATHSSETA aims to specifically address the following key priorities in 2018/19:

- Research chairs
- Post-graduate (Masters & PhD)
- TVET employee support
- Recognition of Prior Learning (RPL)
- Adult Education & Training (AET) – Soft skills
- Entry-level ICT
- Legacy projects
- Small Enterprises (SEs)*
- Coaching & Mentoring

*SEs –refers to entities with less than 50 employees and an annual payroll of R500 000

5.2 Organisational Environment

5.2.1. High-Level CATHSSETA Success Factors

The CATHSSETA Critical Success Factors are described as the key processes that deliver services to the CATHSSETA's beneficiaries i.e. learners and employers. The process is based on the three critical components of CATHSSETA's service delivery value chain i.e. Facilitation of Learning Interventions; Quality Assurance of Skills Development – Accreditation of Skills Development Facilitators, Verification of Learners, and Development of Occupational Qualifications; and Employer Engagements, which involves the receipt of levies and payment of grants. The diagram below depicts these three integrating components to signify the centrality of the certified learners in all work undertaken by CATHSSETA. A certificated learner is a skilled and critical element of our social development agenda and critical agent of economic growth and development.

Figure 3: High-Level Success Factors
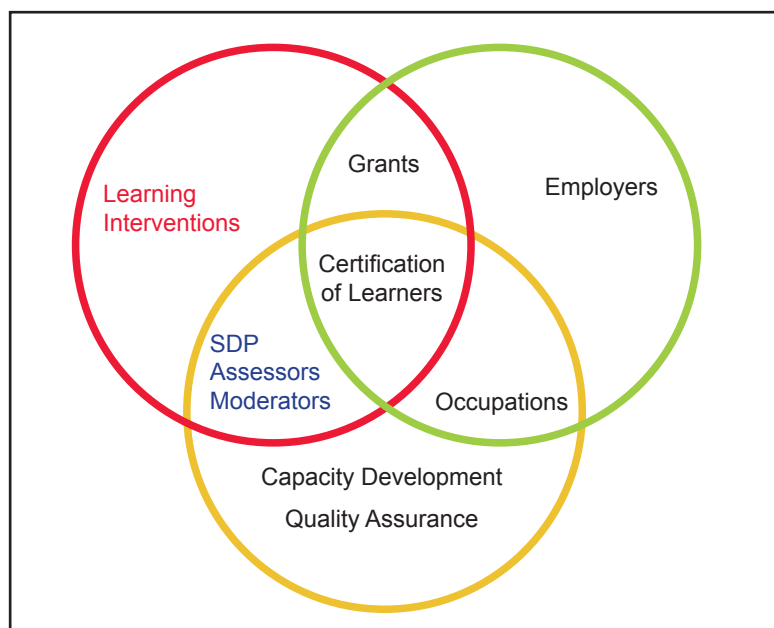
5.2.2. Organisational Structure

CATHSSETA is a product of national legislation with its mandate defined in the *Skills Development Act, 97 of 1998.* The functional responsibilities of the organisation are defined within this piece of legislation and are enhanced by the *NSDS III* and the *White Paper on Post School Education and Training.*

The responsibility to gear CATHSSETA towards the needs of its stakeholders and the realisation of the framework provided for in the *White Paper on Post School Education and*

Training, have been the focus of CATHSSETA's endeavours during the past 18 months. Hence, there is a need to align the organisational structure and business processes to the refined organisational strategy.

In the 2016/17, CATHSSETA realigned its organisational structure and introduced new IT systems and processes, supported by new IT infrastructure and software. CATHSSETA also established offices in six regions across the country to make the organisation more accessible to stakeholders, i.e. employers, learners and training providers. In the 2017/18, these regional offices were fully operational and offered the bulk of services that were provided centrally. This enhanced service delivery, improved partnerships with TVET Colleges, and closed the gap between skills development and work experience.

CATHSSETA Organogram

The CATHSSETA macro structure reviewed and aligned to the current strategy is depicted in the diagram that follows:

Figure 4: CATHSSETA Organogram
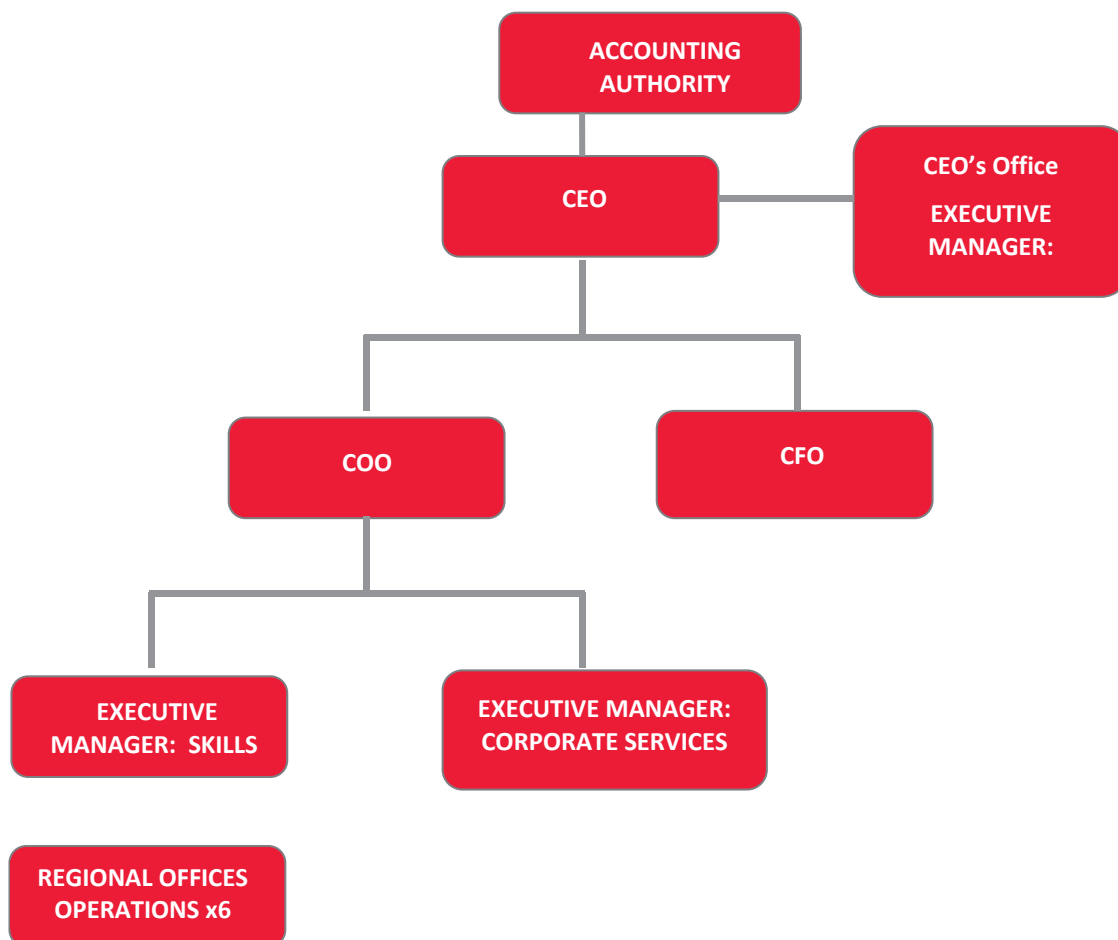
5.2.3. Management Capacity

The process to fill posts in the current structure sought to balance experience, talent and post requirements. These aspects were critical for filling both management and operational staff positions in decentralised offices.

The reviewed business processes enhanced management's capacity to play a supportive and oversight role to decentralised functions and ensure desired performance. The ultimate outcome is expected to be a more accessible organisation responsive to the needs of stakeholders.

5.2.4. Governance

CATHSSETA officially completed the administration period in April 2017. Thereafter, a new Accounting Authority was appointed comprising stakeholder representatives with extensive knowledge and experience in their respective sub-sectors. The Accounting Authority established the following committees - Executive, Finance and Remuneration, Governance and Strategy, and Audit and Risk. Each of these committees has developed and adopted a Committee Charter outlining its functions and responsibilities.

The implementation of this SP will be the responsibility of the new CATHSSETA Board that will be put in place in 2018 in terms of *Government Gazette number 39394* issued in 2015.

Processes and policies for effective governance were put in place in the past year. The review of policies took place with the assistance of a service provider to ensure that these are compliant with the relevant and existing statutes.

5.3 Description of the Strategic Planning Process

The CATHSSETA Sector Skills Plan (SSP) spans a five year-period. It describes the situational environment and assesses possible challenges and opportunities which culminate in the identification of key priority actions for the Sector. The SSP draws on a range of data and information sources, including the CATHSSETA's Mandatory Grant data, research conducted, sub-sector relevant publications and engagements with key stakeholders. The outcome of this analysis generates significant information to determine skills development needs and priorities in the sector. The SSP is subjected to broad consultations with stakeholders via the work of different committees. The completed SSP is used to inform the development and annual review of the Strategic Plan (SP) and Annual Performance Plan (APP).

These processes include the following:

- Review of the current SP to ensure alignment with national strategies and plans, consider key skills development actions identified in the SSP, and review strategic objectives;
- Engage with stakeholders such as the Management Committee, Executive Committee and Governance and Strategy sub-Committees to elicit input in updating the SP; and
- Evaluate annual performance against predetermined targets, ascertain required organisational capacity, and consider options for delivery of targets

The information from the above actions, together with the SSP, is consolidated into a revised SP and APP for consideration and approval by the Accounting Authority.

6. STRATEGIC OUTCOME-ORIENTED GOALS OF CATHSSETA

The legislative mandate, policy instruments and government priorities have guided the development of CATHSSETA's goals and objectives. Cognisance was given to the challenges faced by CATHSSETA in the implementation of its programmes in the current financial year. In this regard, the focus will be on improving CATHSSETA's performance monitoring and evaluation and ensuring wide stakeholder participation in its programmes.

6.1. Strategic Goal 1: Develop sector capacity to deliver responsive skills development programmes informed by labour market research.

Strategic Goal	Develop sector capacity to deliver responsive skills development programmes informed by labour market research.
Goal Statement	Effective stakeholder management and increasing the number of partnerships with employers, training providers, government entities, other SETAs and relevant institutions by the end of the 5-year period which result in increased capacity to meet industry skills needs.
Justification	Support National Outcome 5, and Sectoral Support for 4, 10, 12. Support NSDS III goals: Stakeholder engagement and partnership in support of all 8 NSDS III goals. Supporting NSDS III Goal 1: Establishing a credible institutional mechanism for skills planning. SSP Link: • Priority 1: Qualification review • Priority 2: Training provision • Priority 3: Analysis of skills needs (research capacity) • Priority 5: TVET capacity building (e.g. TVET employee support) • Priority 6: Increased need for partnerships • Priority 7: Transformation in the Sector (e.g. support SEs, People with Disabilities)

Strategic Objective link	2.1.1 Commission Sector Research (e.g. research chairs) 2.2.1 Develop a Sector Skills Plan 3.1.1 Increase number of learners enrolling in PIVOTAL programme 3.1.3 Increase support to sector organisations through skills development 3.2.2 Promote access to the workplace through partnerships with the sector 3.4.1 Promote CATHSSETA skills development interventions to stakeholders 4.1.1 Increase accessibility to accreditation 4.1.2 Improve the capacity of TVET Colleges to deliver Skills Development initiatives 4.3.1 Review qualifications for sector appropriateness
Links	NSDS III MTSF NDP

6.2. Strategic Goal 2: Effective facilitation of learning interventions to address skills needs in the sector.

Strategic Goal	Effective facilitation of learning interventions to address skills needs in the sector.
Goal Statement	To position CATHSSETA as a credible and authoritative voice on skills development by implementing an appropriate number of learning interventions to address skills needs in the sector during the MTSF period. To build CATHSSETA's understanding of labour market issues in the sector, document and communicate emerging trends, and develop a solid baseline of indicators for the sector to inform planning and decision-making on investments in education and training provision.
Justification	Supporting National Outcome 5; and Sectoral Support to Outcomes 4, 10, 12b. Supporting NSDS III Goals: Goal 2: Increasing access to occupationally-directed programmes. Goal 3: Promoting the growth of the public TVET College system that is responsive to sector, local, regional and national skills needs and priorities. Goal 4: Addressing the low level of youth and adult language and numeracy skills in order to enable additional training. Goal 6: Encouraging and supporting cooperatives, small enterprises, worker initiated, NGO and community training initiatives. Goal 7: Increasing public sector capacity for improved service delivery and supporting the building of a developmental state. Goal 8: Building career and vocational guidance. SSP Link: • Priority 2: Training provision • Priority 3: Analysis of skills needs • Priority 4: Workplace-based learning (e.g. RPL, AET, ICT, Legacy projects) • Priority 5: TVET capacity building (e.g. TVET employee support) • Priority 6: Increased need for partnerships • Priority 7: Transformation in the Sector (e.g. support SEs, People with Disabilities)
Strategic Objective link	1.5.1 Maintain effective Information Technology (IT) management systems 2.1.1 Commission Sector research 2.2.1 Develop a SSP 3.1.1 Increase the number of learners enrolled in PIVOTAL programmes 3.1.2 Address entry-level skills of youth and adult education 3.1.3 Increase support to sector organisations through skills development

	3.2.2 Promote access to the workplace through partnerships with the sector 4.1.2 Improve the capacity of TVET Colleges to deliver skills development interventions 4.2.1 Maintain Quality Assurance standards
Links	NSDS III MTSF NDP

6.3. Strategic Goal 3: Improve sector capacity in delivering training provision.

Strategic Goal	Improve sector capacity in delivering training provision.
Goal Statement	To promote efficient resource utilisation for optimal provision of training in the sector by reviewing sector qualifications and accreditation of training providers, and maintaining quality assurance standards in the next five years.
Justification	Supporting National Outcome 5 and 12, and Sectoral Support to Outcomes 4, 10, 12. Supporting NSDS III Goals: Goal 3: Promoting the growth of a public TVET College system that is responsive to sector, local, regional and national skills needs and priorities. Goal 7: Increasing public sector capacity for improved service delivery and supporting the building of a developmental state. SSP Link: • Priority 1: Qualification Review • Priority 2: Training provision • Priority 5: TVET capacity building (e.g. TVET employee support • Priority 6: Increased need for partnerships • Priority 7: Transformation in the Sector (e.g. support SEs, People with Disabilities)
Strategic Objective link	3.2.1 Implement skills development projects in rural areas and for youth 3.2.2 Promote access to the workplace through partnerships with the sector 4.1.1 Increase accessibility to accreditation 4.1.2 Improve the capacity of TVET Colleges to deliver skills development interventions 4.2.1 Maintain Quality Assurance standards 4.3.1 Review qualifications for sector appropriateness
Links	NSDS III MTSF NDP

PART B: STRATEGIC OBJECTIVES

This section discusses the strategic objectives that lead to the realisation of the CATHSSETA's goals. It describes all four CATHSSETA programmes, i.e. Administration, Skills Planning, Learning Programmes and Projects, and Quality Assurance.

7. Programme 1: Administration

The purpose of this programme is to enable the CATHSSETA to deliver on its mandate by providing strategic management, improved financial management systems, promoting good corporate governance and ensuring effective resources management in the organisation. This programme is made up of the following sub-programmes; Corporate Services, Finance, Governance, Human Resources, and Information Technology.

Strategic Objectives

Strategic objective 1.1.1	Establish effective corporate services functions
Objective statement	CATHSSETA to ensure that its corporate service functions are effective
Baseline	New target
Strategic objective 1.2.1	Ensure adherence to Supply Chain Management processes
Objective statement	CATHSSETA to ensure that SCM processes are effective and comply with performance imperatives
Baseline	100% compliance with SCM processes
Strategic objective 1.2.2	Improve financial management systems
Objective statement	CATHSSETA to ensure that effective financial management control systems are in place
Baseline	100% internal control deficiencies from audit findings reduced
Strategic objective 1.3.1	Promote good governance at CATHSSETA
Objective statement	Governance of the SETA is manifested through the legislative, regulatory, and policy mandates, e.g. *Skills Development Act 97 of 1998*
Baseline	100% of governance requirements met
Strategic objective 1.4.1	Ensure effective human resources utilisation in the organisation by developing and retaining a skilled workforce
Objective statement	Maintain organisational performance through appropriate staffing and development of employees
Baseline	8% employee vacancy rate
Strategic objective 1.5.1	Maintain effective and efficient Information Technology (IT) management systems
Objective statement	CATHSSETA to maintain organisational performance through effective information technology resources.
Baseline	New target

Resource Considerations

The domestic economic climate has been in decline with weak performance in the Tourism Sector. This impacts directly on CATHSSETAs' levy income. The percentage change in revenue income between 2015/16 and 2016/17 was 5. The overall growth rate from 2016/17 to 2017/18 is 3%. Section 14(3)(b), as read with sections 14(3A)(a) and 14(3B) of the *SDL Act*, states that a SETA may not use more than 10.5% of the total levies paid by employers and received in any year (as allocated in the *Act*) to pay for its administration costs in respect of that financial year. CATHSSETA was not able to remain within the 10.5% administration cost limitation as a result of having a lower base of levy collection as compared to other sectors. However, in the past financial year CATHSSETA requested and was granted approval to exceed the 10.5% limit.

All major policies are in place and are reviewed annually. Service level agreements have been established and, where required, reviewed regularly. The Employment Equity (EE) plan is reviewed annually and an Employment Equity Committee has been established as an oversight body for the implementation of the EE Plan. CATHSSETA's information management systems are functional, hardware and software are updated where appropriate, cost effective, and in line with budget. The organisation has embarked on a systematic development of its SETA management system database to meet its growing needs.

The executive team consists of the CEO, CFO and COO, all of whom are responsible for the CATHSSETA's administration. The CEO is supported by the Executive Manager: Support. The following table indicates the management positions in this programme which have been budgeted for accordingly.

Table 6: 2017/18 Resource Considerations

Level	Positions	Occupancy	Vacancy Rate
Paterson E	3	2	1
Paterson D	9	9	-
Paterson C	16	14	2
Paterson B	14	14	-
Paterson A	1	1	-

Expenditure Trends

The expenditure for CATHSSETA's Administration programme is indicated in Table 7 below. Table 8 shows the expenditure trends for Human Resources as well as for the staff complement over the past 4 years.

Table 7: Expenditure Trends

Year	Total expenditure for the entity (R'000)	Personnel Expenditure (R'000)	Personnel Exp. as a % of total exp. (R'000)	No of employees	Average personnel cost per employee (R'000)
2015/16	68 590	18 286	27%	38	481
2016/17	66 665	22 692	34%	40	567

Table 8: Human Resources Expenditure Trends and Staff Complement

Programme		Actual R'000				Current	Budget R'000/Projected		
No	Description	2013/ 14	2014/ 15	2015/ 16	2016/ 17	2017/ 18	2018/ 19	2019/ 20	2020/ 21
1	Human Resources	14 033	24 354	26 262*	39 210	48 525	51 436	54 522	57 794
2	Number of staff	97	80	96	93	97	105	105	105

*The 10% administration fee was exceeded in 2015/16 due to, among other issues, personnel costs increased from R29 262 to R40 627. The increase in costs is attributed to the conversion of staff employment from permanent to fixed term contracts, as well as payments to staff on resignation.

Risk Management

Table 9 below provides a summary of the strategic risks relevant to this programme.

Table 9: Summary of Strategic Risks

Identified Strategic Risk	Internal Control
1. Non-compliance with PFMA - lack of internal controls (e.g. monthly reconciliation), and lack of understanding of regulatory requirements and accounting standards	Revise procurement plan regularly, conduct monthly reconciliation, and implement focused training programmes.
2. Non-compliance in IT governance requirements	IT Policy and Disaster Recovery Plan have been developed and an IT Steering Committee established.
3. Non-compliance with SCM regulations and internal policies	Developed and implemented SCM checklists to ensure compliance with all National Treasury regulations.
4. Exclusive use of an IT service provider	SLA with service provider includes transfer of knowledge to key end users of the system.

Identified Strategic Risk	Internal Control
5. Lack of reliable financial information due to system migration	Weekly project management meetings with service provider to resolve system related issues. Establish escalation processes to ensure issues are resolved within 2 hours Dedicated IT Consultant on-site

The first strategic risk identified is non-compliance with the *PFMA*. To mitigate this, CATHSSETA has implemented internal controls as reflected in Table 9 above. The second identified risk is non-compliance in IT governance requirements. To address this, an IT Disaster Recovery Plan was developed, and an IT Steering Committee established to guide and provide oversight on IT operations. The third strategic risk identified is non-compliance to Supply Chain Management (SCM) legislation. To mitigate this, CATHSSETA has developed checklists to ensure compliance with National Treasury regulations. The fourth identified risk is the exclusive reliance on an IT service provider. To address this, the IT Steering Committee established will explore viable options such as procurement of another Financial System or appointment of a second service provider. This is expected to reduce the risk exposure to an acceptable level.

The fifth strategic risk is the lack of complete and accurate financial information due to the recent migration to a new financial system. In mitigating this risk, the organisation conducts weekly project management meetings with the service provider to promptly resolve any system related issues. Escalation processes have been established to ensure that system related issues are resolved within a 2 hour timeframe and a dedicated IT Consultant has been on-site to assist with system related queries.

8.   Programme 2: Skills Planning

The purpose of this programme is to conduct research to inform the strategic priorities of the CATHSSETA. Performance information tracks achievement against predetermined targets and informs management decision-making. This programme is made up of the following units: Research, Strategic and Sector Skills Planning, and Mandatory Grants.

Strategic Objectives

Strategic objective 2.1.1	Commission Sector research to support informed decision-making
Objective statement	Commissioned research is informed by consultations with stakeholders by sub-sector. It is manifested through publications and research reports.
Baseline	80% of research targets are addressed
Strategic objective 2.2.1	Develop a credible SSP
Objective statement	Develop a SSP as per DHET guidelines
Baseline	2017/18 SSP
Strategic objective 2.3.1	Support levy paying employers claiming grants
Objective statement	The payment of grants is a means of encouraging employers to participate and invest in skills development
Baseline	966 levy payers supported

Resource Considerations

In Table 10 below, the resource considerations for the Skills Planning programme are presented.

Table 10: 2017/18 Resource Considerations

Level	Positions	Occupancy	Vacancy Rate
Paterson E	-	-	-
Paterson D	3	3	0
Paterson C	2	2	0

Planning is a critical component in ensuring that service delivery conforms to the skills development requirements of the sector. Currently, there are three senior positions supported by two staff members to ensure that this programme is executed according to CATHSSETA' strategic objectives.

Expenditure Trends

The expenditure trends for the Planning Programme are indicated in Table 11 below.

Table 11: Expenditure Trends

Year	Total expenditure for the entity (R'000)	Personnel Expenditure (R'000)	Personnel Exp. as a % of total exp. (R'000)	No of employees	Average personnel cost per employee (R'000)
2015/16	6 673	3 702	55%	8	528
2016/17	8 124	3 961	49%	7	565

Risk Management

The strategic risks for the Skills Planning programme are indicated in Table 12 below.

Table 12: Summary of Strategic Risks

Identified Strategic Risk	Internal Control
1. Inadequate sector information	Plans to establish appropriate research chairs are underway.
2. SSP does not articulate the supply and demand for skills in the sector	Workshops and stakeholder consultations Promote stakeholder participation through colloquiums
3. Occupational shortages identified not reflective of all sub-sectors	Conduct research and annually update information on occupational shortages in CATHSSETA sub sectors
4. Skills gaps not adequately addressed	Include skills gaps in the occupational shortages list and seek partnerships to implement relevant programmes
5. Manual development of planning documents increases likelihood of errors and non-alignment between related documents	Introduce automated processes that synchronise the development of planning documents to ensure alignment

Planning, monitoring and reporting are critical components of service delivery and require strict compliance with regulations. One of CATHSSETA's biggest strategic risk is inadequate and sector information on skills needs. This is to be addressed by establishing research chairs at public higher education institutions. The second risk is lack of a credible SSP to articulate the supply and demand for skills in the sector. This will be mitigated by securing a highly qualified and experienced labour market researcher, conducting workshops and consulting stakeholders through various platforms such as focus groups and research colloquiums. The third risk relates to occupational shortages which, due to limited participation and lack of research, may not be reflective of the sub-sectors. This will be addressed by conducting research in all sub-sectors with a focus on those that have limited industry research available, and using the findings to update the status of skills. The fourth risk is the failure to address skills gaps. This will be mitigated by including the identified gaps on the occupational shortages list and seeking partnerships that will assist with implementing programmes to address these.

The manual development of planning documents increases likelihood of errors to address problems. CATHSSETA will consider developing an automated system to synchronise the development of planning documents.

9. Programme 3: Learning Programmes and Projects

The purpose of this programme is to establish partnerships and facilitate the delivery of the skills development and provider support services to the sector. This programme comprises the following sub-programmes: Occupationally-directed Programmes, Special Projects, Monitoring, Evaluation and Reporting, and Career and Vocational Guidance.

Strategic Objectives

Strategic objective 3.1.1	Increase the number of learners enrolled in PIVOTAL programmes.
Objective statement	The development of skills is through learner enrolment in learning interventions that will lead to a qualification or part qualification.
Baseline	7 311 learners enrolled in PIVOTAL programmes.
Strategic objective 3.1.2	Address entry-level skills of youth and adult education.
Objective statement	To facilitate skills development of youth and adult with entry-level skills.
Baseline	New target
Strategic objective 3.1.3	Increase support to Sector organisations through Skills Development.
Objective statement	To ensure that SEs, Trade Unions, Cooperatives, and NGOs are supported through relevant skills development interventions.
Baseline	No target
Strategic objective 3.2.1	Implement skills development projects in rural areas and for the youth.
Objective statement	The establishment of regional offices will improve access and delivery of training to youth in rural areas.
Baseline	6 projects implemented.
Strategic objective 3.2.2	Promote access to the workplace through partnerships with the sector.
Objective statement	Partnerships with sector organisations will improve stakeholder participation in skills development activities and capacitate beneficiaries to enter the workplace
Baseline	20 partnerships established with sector organisations (6 with TVET colleges, 3 with universities, 11 with sector employers)
Strategic objective 3.3.1	Manage organisational performance
Objective statement	The implementation of strategic planning goals ensures alignment and capacity building for all CATHSSETA structures.
Baseline	100% organisational performance goals met
Strategic objective 3.4.1	Promote CATHSSETA's skills development interventions to stakeholders.
Objective statement	To create awareness of CATHSSETA's mandate as expressed in its provision of services to stakeholders through the media.
Baseline	27 stakeholder engagements implemented.

Resource Considerations

The resource considerations for Programme 3 are detailed in Table 13 below.

Table 13: 2017/18 Resource Considerations

Level	Positions	Occupancy	Vacancy Rate
Paterson E	-	-	-
Paterson D	10	9	1
Paterson C	35	34	2
Paterson B	8	6	2

This programme forms the core of CATHSSETA's operations and has been extended through the establishment of regional offices in 6 provinces. These offices are managed by Regional Managers. The organisational restructuring has been geared to deliver learning programmes in a more cost-effective manner. A total staff of over 45, including eight senior staff, is deployed in all nine provinces.

Expenditure Trends

The expenditure trends for the Learning Programmes are indicated in Table 14 below.

Table 14: Expenditure Trends

Year	Total expenditure for the entity (R'000)	Personnel Expenditure (R'000)	Personnel Exp. as a % of total exp. (R'000)	No of employees	Average personnel cost per employee (R'000)
2015/16	181 992	18 639	10%	45	414
2016/17	161 670	14 589	10%	43	339

Risk Management

Table 15 below lists the strategic risks identified for this programme.

Table 15: Summary of Strategic Risks

Identified Strategic Risk	Internal Control
1. Lack of training provision that meets the industry requirements	An Occupational Shortages list is produced and 80% of Discretionary Grant (DG) budget allocated to PIVOTAL skills. DG window will be aligned to industry training cycle.
2. Lack of supporting evidence for employer-funded projects	DG policy has been revised to indicate the type of information required for employer-funded projects.
3. Lack of uptake/interest from sector organisations	Stakeholder engagements through workshops to disseminate information and promote involvement

Identified Strategic Risk	Internal Control
4. Limited impact in rural areas due to lack of employers	Implement special projects interventions
5. Failure to report due to new online reporting system (SETMIS)	Integration of CATHSSETA system with new system (SETMIS)
6. Inadequate monitoring and evaluation	Manual monitoring and evaluation management system replaced with automated system.

This Skills Development Programme is a critical area because it constitutes the core function of the CATHSSETA. Training provision capacity, learning interventions and the delivery tools require the existence of proper implementation systems with well-defined processes and procedures.

The risks identified are a lack of training provision that meets industry requirements and lack of supporting evidence for employer-funded targets. To address this, the CATHSSETA will implement internal controls and actions such as aligning the Discretionary Grant window to the industry's training cycle. Lack of uptake and/or interest from sector organisations is the third risk. Stakeholder engagements through workshops will be held to share information on the SETA's programmes and thus promote involvement. The fourth risk is limited impact in rural areas due to lack of employers and accredited providers. Special projects that will be implemented will focus on rural areas to reduce this risk. The fifth risk is failure to report performance information due to the newly introduced online reporting system. Plans to integrate the CATHSSETA system with the new system (SETMIS) have been developed and will be implemented to mitigate this risk.

10.   Programme 4: Quality Assurance

The purpose of this programme is to ensure that all Quality Assurance functions, delegated by the Quality Council of Trades and Occupations (QCTO), are effectively fulfilled in the development of qualifications and monitoring of learning achievements. This programme comprises the following sub-programmes: Provider accreditations, Certification, and Qualification Development.

Strategic Objectives

Strategic objective 4.1.1	Increase accessibility to accreditation.
Objective statement	Improve the capacity of training providers to deliver skills development interventions.
Baseline	2016/17 progress achieved (licensed 5 CATHSSETA learning programmes; 100% accreditation applications processed within 60 days).
Strategic objective 4.1.2	Improve the capacity of TVET Colleges to deliver skills development interventions
Objective statement	The use of public sector entities enhances government capability to deliver. Hence, the use of TVET Colleges as a medium for skills development.
Baseline	102 TVET College lecturers entered training.
Strategic objective 4.2.1	Maintain quality assurance standards
Objective statement	To guarantee the effectiveness CATHSSETA's quality assurance systems, it is important that there is monitoring of adherence to quality assurance standards.
Baseline	Quality Assurance standards maintained (Green status)
Strategic objective 4.3.1	Review qualifications for sector appropriateness
Objective statement	Development of skills is conducted through qualifications and occupations. Therefore, it is necessary to have the appropriate qualifications. This process is manifested at TVET Colleges and approved through the QCTO.
Baseline	4 qualifications completed the review process.

Resource Considerations

The resource considerations for Quality Assurance are indicated in Table 16 below.

Table 16: 2017/18 Resource Considerations

Level	Positions	Occupancy	Vacancy Rate
Paterson D	1	1	-
Paterson C	3	2	1

This programme is executed by a manager, who is supported by two staff members. There is currently one vacancy and plans to fill this position are underway.

Expenditure Trends

The expenditure trends for the Quality Assurance Programme is indicated in Table 17 below.

Table 17: Expenditure Trends

Year	Total expenditure for the entity (R'000)	Personnel Expenditure (R'000)	Personnel Exp. as a % of total exp. (R'000)	No of employees	Average personnel cost per employee (R'000)
2015/16	4 358	2 220	51%	5	444
2016/17	2 828	1 928	68%	3	642

Risk Management

The identified strategic risks for quality assurance are listed in Table 18 below.

Table 18: Summary of Strategic Risks

Identified Strategic Risk	Internal Control
1. Limited pool of compliant training providers in rural areas	Initiatives to capacitate rural training providers to meet accreditation criteria.
2. Inaccurate information captured by employers resulting in reporting on incorrect qualification	Data capturing systems are pre-populated with qualifications. Verification controls that require users to confirm inputs have been put in place. Conduct site visits to capacitate training providers.
3. Difficulty in obtaining accreditation	Annual review of ETQA Policies and processes
4. Lack of cooperation from TVET colleges	MOUs with TVET Physical CATHSSETA offices in some TVET colleges
5. Lack of qualifications appropriate for the sector due to limited participation from industry	Review of qualifications by industry subject matter experts and the QCTO

One of the risks identified is the concentration of training providers in a few regions with a significant lack of compliant providers in rural areas. To address this, resources have been invested to empower and equip training providers to meet the stringent compliance requirements.

The inaccurate capturing of information poses another risk in that incorrect qualifications are reported on. To address this, CATHSSETA will implement the internal controls and actions reflected in Table 18 above.

Difficulty in obtaining accreditation poses another risk. To mitigate this, an annual review of ETQA policies and processes will be conducted to streamline the process.

The fourth risk, lack of cooperation from TVET colleges due to lack of resources, impacts CATHSSETA's ability to meet targets. CATHSSETA has established offices in TVET colleges and will also enter into formal agreements with TVETs to improve participation. The lack of qualifications that are appropriate for the sector is the fifth risk. Plans are underway to appoint a Qualification Development Facilitator to assist with the review of qualifications.

PART C: LINKS TO OTHER PLANS

11.   LINKS TO THE LONG-TERM INFRASTRUCTURE AND OTHER CAPITAL PLANS

CATHSSETA will support people to become qualified Environmental Managers, Programme or Project Administrators' Assistants, Truck Drivers and Handypersons through Work Integrated Learning Programmes to support the Strategic Integrated Projects (SIPs).

12.   CONDITIONAL GRANTS

The matter of conditional grants is not applicable to CATHSSETA at this stage.

13.   PUBLIC ENTITIES

CATHSSETA has no public entities.

14.   PUBLIC-PRIVATE PARTNERSHIPS

CATHSSETA does not have public-private partnerships as defined in the *Skills Development Act (Act 97 of 1999)* and the *Public Finance Management Act (Act 1 of 1999, as amended).*

ANNEXURE A
SERVICE LEVEL AGREEMENT

ANNEXURE A: SERVICE LEVEL AGREEMENT

SERVICE LEVEL AGREEMENT

entered into by and between

DEPARTMENT OF HIGHER EDUCATION AND TRAINING

(hereinafter referred to as the "DHET" represented by GF Qonde, duly authorized thereto by virtue of his capacity as the Director-General),

and

CULTURE, ARTS, TOURISM, HOSPITALITY AND SPORT SECTOR EDUCATION AND TRAINING AUTHORITY (CATHSSETA)

(hereinafter referred to as "SETA" represented by Mr. Pumzile Emeride Kedama duly authorised thereto in his capacity as Chairman of the Board)

1.   **PURPOSE OF THE SERVICE LEVEL AGREEMENT**

This service level agreement is entered into between the above mentioned parties to agree on the minimum service levels required by the SETA in performing its statutory functions, meeting the National Skills Development Strategy targets and implementing its strategic plan and annual performance plan.

2.   **DURATION OF THE SERVICE LEVEL AGREEMENT**

The service level agreement is entered into for the period of 1 April 2018 to 31 March 2019

3.   **OBLIGATIONS OF THE SETA**

3.1   The SETA undertakes to:

3.1.1   perform its functions as required by the Skills Development Act;

3.1.2   meet the targets in the National Skills Development Strategy;

3.1.3   implement the approved Strategic Plan and Annual Performance Plan;

3.1.4   submit all documentation and reports as may be required by the Department on the times specified; and

3.1.5   adhere to the requirements of the Public Finance Management Act and Treasury Regulations.

3.1.6   address all findings raised by the Auditor-General in the previous financial year.

3.1.7   Submit comprehensive plan of action to the department.

3.2   Perform and provide the information and/or reports on the activities listed below:

3.2.1   assessment of the skills required for each sector and to identify scarce skills;

3.2.2   how the levels of education will be improved in the sector;

3.2.3   partnerships between SETAs and public Technical and Vocational Education and Training (TVET) colleges, Universities, training providers and industry;

3.2.4   the number of bursaries awarded/to be awarded to deserving South African citizens in critical skills at 25 Universities and 50 TVET colleges;

3.2.5   scarce and critical skills needs in the sector, how it will be addressed and reflected in the number of learners that will be trained and placed, as well as the companies involved;

3.2.6   number of agreements signed with public TVET colleges , Universities and other training providers as well as the amount approved per agreement which should also reflect the number of learners that will be trained, types of training programmes and programmes that are in place;

3.2.7   targets as reflected in the Annual Performance Plan must be credible and linked to a "Baseline ";

3.2.8   placement of lecturers in industry as part of the Service Level Agreement;

3.2.9   rural development programmes and how it will be implemented;

3.2.10 support the revitalization of rural and township economy;

3.2.11 progress in the implementation of Recognition of Prior Learning;

3.2.12 establish working relationships with TVET colleges, Universities and industry for the purpose of placement of students and graduates;

3.2.13 ensure the placement of TVET students, University of Technology students and University graduates requiring Work Integrated Learning (WIL) in the relevant sector and provide report on quarterly basis;

3.2.14 maintain and operationalize SETA offices in (name of colleges where offices are/is):

- Mnambithi TVET College
- Mthashana TVET College
- Thekwini TVET College
- Capricorn TVET College
- Northlink TVET College
- Motheo TVET College
- Lovedale TVET College

3.2.15 support offices opened by other SETAs in TVET colleges;

3.2.16 conclude work from previous performance years commitments and submit reports as required by the Department;

3.2.17 sector funded training identified and reported on quarterly basis.

3.2.18 annual targets for registered and completed artisan learners by listed trade as agreed with the Chief Directorate: INDLELA to address HRDC ATD-TTT Bottleneck 1;

3.2.19 monthly reports in a format determined by the Chief Directorate: INDLELA of the actual number of registered and completed artisan learners to address HRDC ATD-TTT Bottleneck 1;

3.2.20 implementation of the Policy on Generic National Artisan Learner Grant Funding and Administration System to address HRDC ATD-TTT Bottleneck 2;

3.2.21 the number of persons supported to become qualified artisans within the national artisan learner Recognition of Prior Learning system determined by the Chief Directorate: INDLELA to address HRDC ATD-TTT Bottleneck 3;

3.2.22 provide financial support to world skills South Africa through the DHET approved structure;

3.2.23 submit an implementation plan of the commitments made in this SLA within the first quarter of the financial year;

3.2.24 In relations to the 13 priority trade needed for the construction and maintenance of the government Strategic Integrated Projects (SIPs) the SETA should:

   3.2.24.1 Increase by at least 5% the number of grants issued for these trades in 2015/16. If no grants were issued for any or all these trades last year, the SETA is not obliged to offer such grants in 2016/17, but is encouraged to do so if at all possible;

   3.2.24.2 coordinate all relevant SETAs with regards to the development work being undertaken by DHET for the implementation of the QCTO qualifications in targeted TVET colleges (Centre's of Specialization);

   3.2.24.3 support the work of the coordinating SETAs for each of the following trades: Bricklayer, Electrician, Millwright, Boilermaker, Plumber, Mechanic including automotive mechanic, Diesel mechanic, Carpenter and Joiner, Welder, Rigger, Fitter and turner, Mechanical fitter and Pipe fitter;

   3.2.24.4 report on these SIPs commitments as required.

3.2.25   meet minimum targets as reflected in the table below: AWAITING SKILLS DEVELOPMENT DEPT AND FINANCE TO FINALISE TARGETS AND BUDGET

NSDS III GOAL	PERFORMANCE INDICATORS	BASELINE	SETA FUNDED TARGETS	SECTOR FUNDED TARGETS
Establishing a credible institutional mechanism for skills planning	Large Firms	201	205	-
	Medium Firms	305	305	-
	Small Levy Paying Firms	466	460	-
Increase access to occupationally directed programmes	Unemployed Entered Learnerships	502	400	1 450
	Unemployed Entered Bursaries	517	250	-
	Unemployed Entered Internships	542	250	-
	Unemployed Entered Skills Programmes	1 000	850	-
	Unemployed Completed Learnerships	486	200	-
	Unemployed Completed Bursaries	175	125	-
	Unemployed Completed Internships		125	-
	Unemployed Completed Skills Programmes	194	425	-
	Artisans Entered	347	247	-
	Artisans Completed	265	125	-
Encouraging better use of workplace-based-skills programmes	Workers Entered Learnerships	409	300	1 500
	Workers Entered Bursaries	254	150	-
	Workers Entered Skills Programmes	400	300	-
	Workers Completed Learnerships	287	150	-

NSDS III GOAL	PERFORMANCE INDICATORS	BASELINE	SETA FUNDED TARGETS	SECTOR FUNDED TARGETS
	Workers Completed Bursaries	100	75	-
	Workers Completed Skills Programmes	223	150	-
	Candidacy Programme Entered	-	-	-
	Candidacy Programme Completed	-	-	-
	Recognition of prior Learning (RPL - projects)	-	1	-
Promoting the growth of a public TVET college system that is responsive to sector ,local ,regional and national skills needs and priorities	TVET Student Placement Entered	1 393	931	-
	TVET Student Placement Completed	-	466	-
	Universities Student Placement Entered	216	216	-
	Universities Student Placement Completed	-	108	-
	SETA/TVET College Partnerships	6	8	-
	SETA/Universities Partnerships	3	8	-
	SETA/Employer Partnerships	11	15	-
	Lecturer Development Programmes Entered	50	90	-
	Lecturer Development Programmes Completed	0	45	-
	Number of SETA Offices opened in TVET Colleges (List the names of the TVET Colleges opened)	1. Thekwini 2. Lovedale 3. Capricorn 4. Northlink 5. Motheo 6. Mnambithi 7. Mthashana		-

NSDS III GOAL	PERFORMANCE INDICATORS	BASELINE	SETA FUNDED TARGETS	SECTOR FUNDED TARGETS
Addressing the low level of youth and adult language and numeracy skills to enable additional training	AET Programmes Entered	-	50	-
	AET Programmes Completed	-	20	-
Encouraging and supporting the co-operatives, small enterprises, worker initiatives, NGO and community training Initiatives	Cooperatives Supported	-	4	-
	Small Business Supported	800	175	-
	NGOs	-	8	-
	NLPE	-	-	-
	CBO	-	5	-
	Trade Unions	-	4	-
				-
Building Career Guidance and Vocational guidance	Career Guidance Events	27	27	-
				-
NSDS III Projects	Number of Provincial and Rural Projects Planned	6	9	-
				-
Governance	Number of Governance Charter Reports submitted	4	4	-

4.   OBLIGATIONS OF DEPARTMENT OF HIGHER EDUCATION AND TRAINING

4.1   The Department undertakes to:

    4.1.1   consult the SETA on policy and strategic matters that may affect the functioning of the SETA;

    4.1.2   provide the SETA with guidance on sector skills plans, strategic plans and any matter that may be requested by the SETA in relation to its functions; and

    4.1.3   assist the SETA where applicable in performing its functions and responsibilities.

    4.1.4   validate and verify the accuracy and usefulness of reports submitted by SETAs and provide feedback quarterly.

5.   GENERAL

In year amendments to the approved Service Level Agreement must not be encouraged.

SIGNED AT _____KILLARNEY_____ **ON THIS** __15__ **DAY OF**_____NOVEMBER_____ **2017**

ACCOUNTING AUTHORITY

(Represented by Mr. Pumzile Emeride Kedama who warrants that he/she is duly authorised to this agreement)

SIGNED AT _____**ON THIS** ___ **DAY OF**_____**2017**

_____

DIRECTOR-GENERAL

(Represented by Mr GF Qonde, duly authorized thereto)

Acronyms and Abbreviations

APP - Annual Performance Plans

DG - Director General of Higher Education and Training

DHET - Department of Higher Education and Training

Minister - Minister of the Department of Higher Education and Training

NCV - National Certificate Vocational

NSDS - National Skills Development Strategy

RPL - Recognition of Prior Learning

SETA - Sector Education and Training Authority

SLA - Service Level Agreement

SP - Strategic Plans

SSP - Sector Skills Plans

TVET - Technical and Vocational Education and Training (formerly FET)

WIL - Work Integrated Learning

ANNEXURE B
SECTOR SKILLS PLAN

Culture, Arts, Tourism, Hospitality & Sport

Sector Education and Training Authority

SECTOR SKILLS PLAN

2018/2019

To obtain additional copies of this document please contact:

Culture, Arts, Tourism, Hospitality and Sport Sector Education and Training Authority
Office of the Chief Executive Officer
1 Newtown Avenue, Ground Floor, Killarney, Johannesburg

Tel: 011 217 0600

E-mail: info@cathsseta.org.za

Web: www.cathsseta.org.za

FOREWORD

I have the pleasure of presenting the Sector Skills Plan (SSP) for the Culture, Arts, Tourism, Hospitality and Sport Sector Education and Training Authority (CATHSSETA) for the 2018/2019 financial year. In April 2017, CATHSSETA officially came out of administration and the Department of Higher Education and Training (DHET) appointed me as Chairperson of the Board. In order to ensure a smooth transition, an Acting Chief Executive was appointed to provide leadership and continuity to the organization. The Minister (MHET) has also appointed a Board with extensive knowledge and experience who have made a significant contribution to the update of this SSP.

In the past year, CATHSSETA completed various research studies, the outputs of which have been incorporated into this SSP. These studies have provided us with valuable insight on skills needs in our sub-sectors and formed the basis for further consultation with stakeholders. A consultation session was held at the Tourism Indaba in KwaZulu-Natal to validate these findings and solicit further input for inclusion in the SSP.

Skills planning seeks to identify opportunities and platforms in the sector within which meaningful training can take place. This SSP will form the basis for all CATHSSETA plans including the Strategic Plan, the Annual Performance Plan and the funding framework that will guide the use of skills development grants.

In conclusion, I would like to thank our stakeholders for their valuable participation and contribution to this SSP development process. CATHSSETA will seek to leverage these engagements to further our positive contribution to society in the future.

Pumzile E Kedama (Mr.)
Chairperson of the Board: CATHSSETA

AUTHORISATION OF THE SECTOR SKILLS PLAN

We, the undersigned, hereby approve, on behalf of the CULTURE, ARTS, TOURISM, HOSPITALITY AND SPORT SECTOR EDUCATION AND TRAINING AUTHORITY (CATHSSETA), the contents of the Sector Skills Plan for the period 2018/2019.

Approved By:

Chief Executive Officer (Acting)
Sabelo Silinga (Mr.)

Date: ___15 November 2017___

Chairperson of the Board
Pumzile E Kedama (Mr.)

Date: ___15 November 2017___

ACRONYMS & ABBREVIATIONS

AET	Adult Education and Training
ACH	Arts, Culture and Heritage
APP	Annual Performance Plan
ATR	Annual Training Report
CATHSSETA	Culture, Arts, Tourism, Hospitality and Sport Sector Education and Training Authority
CJI	Career Junction Index
CONS	Conservation
DAC	Department of Arts and Culture
DEA	Department of Environmental Affairs
DG	Discretionary Grant
DHET	Department of Higher Education and Training
GDP	Gross Domestic Product
G&L	Gaming and Lotteries
HTFV	Hard to fill vacancies
HEI	Higher Education Institution
HEMIS	Higher Education Management Information System
HOSP	Hospitality
IPAP	Industrial Policy Action Plan
MG	Mandatory Grant
NCV	National Certificate Vocational
NDP	National Development Plan
NDT	National Department of Tourism
NGB	National Gambling Board
NQF	National Qualifications Framework
NSDS	National Skills Development Strategy
NSRP	National Sport and Recreation Plan
NSF	National Skills Fund
NTSS	National Tourism Sector Strategy
OFO	Organising Framework for Occupations
PIVOTAL	Professional, Vocational, Occupational, Technical & Academic Learning
QCTO	Quality Council for Trades and Occupations
QMR	Quarterly Monitoring Report
RPL	Recognition of Prior Learning
SANBI	South African National Biodiversity Institute
SANParks	South African National Parks
SARS	South African Revenue Services
SASCOC	South African Sports Confederation and Olympic Committee
SAT	South African Tourism
SETA	Sector Education and Training Authority
SIC	Standard Industrial Classification

SIPs	Strategic Integrated Projects
SMME	Small Medium Micro Enterprises
SMS	SETA Management System
SRF	Sport, Recreation and Fitness
SRSA	Sports and Recreation South Africa
SP	Strategic Plan
SSP	Sector Skills Plan
T&T	Travel and Tourism
TSA	Tourism Satellite Account
TVET	Technical and Vocational Education and Training
WTTC	World Travel and Tourism Council

Table of Contents

LIST OF TABLES

LIST OF FIGURES

EXECUTIVE SUMMARY

The Culture, Arts, Tourism, Hospitality and Sport Sector Education and Training Authority (CATHSSETA) has compiled the annual update of the Sector Skills Plan (SSP) for the period 2018/19. This SSP has been prepared in accordance with the guidelines included in the National Skills Development Strategy (NSDS) III for the period 2011 to 2016 (recently extended to 2020), as well as the requirements set out by the Department of Higher Education and Training (DHET) SSP Framework. The key policy drivers that have been identified and considered in this SSP are the National Development Plan, the White Paper for Post School Education and Training, the Sector Education and Training (SETA) Grant Regulations and NSDS III. Further sub-sectoral specific plans considered include the Department of Arts and Culture (DAC) Strategy, the National Sport and Recreation Plan (NSRP), the National Tourism Sector Strategy (NTSS), the Tourism Act of 2014 and the Department of Environmental Affairs (DEA) Strategy.

The overall sector which includes the Arts, Culture and Heritage; Conservation; Gaming and Lotteries; Hospitality; Sport, Recreation and Fitness; and Travel and Tourism sub-sectors represents an extremely vast and varied sector in terms of nature, scope and size. The geographical profile of the sector, which indicates a greater concentration of employers and employees in the Gauteng, Western Cape and KwaZulu-Natal provinces, remains the same. This, along with the race and gender breakdown of employees in the sector, which indicates that Black Africans are still absent from higher level occupations, particularly at the professional and management levels, suggests that the overall profile of the sector remains unchanged.

A range of data and information sources have been used for the analysis conducted and the results presented in this SSP. These sources include the CATHSSETA Mandatory Grant data (which was previously the Workplace Skills Plan and Annual Training Report) as well as data and publications from the Higher Education Management Information System (HEMIS) and industry regulators and entities such as the National Gambling Board (NGB) and South African Tourism (SAT). Additional information from industry publications was reviewed. Internal and external stakeholders were consulted to elicit further input into this SSP.

The analysis of the demand and supply of skills within the sector has been assessed utilising the Mandatory Grant application data and inputs from focus group discussions with stakeholders engaged in the sector. The analysis and interpretation of these consolidated inputs are augmented by research conducted by CATHSSETA and its partners. The data analysis was conducted in the following manner (a) data was checked, validated and missing values were identified and addressed; (b) validated data was organised for exploratory analysis; (c) descriptive statistics were produced including mean, standard deviation and minimum and maximum values for identified variables; (d) categorical data was used to conduct qualitative analysis; (e) historical data, derived from the analysis of previous periods' Reported and Planned Training Interventions data, was used; (f) analysed data was presented as tables, graphs and summary statistics and (g) trend analysis, based on historical data combined with chamber and consultation inputs for comparison across different categories and over various time periods, was conducted.

The recognition of priority skills is based on the occupations identified as occupational shortages. The identified occupational shortages are a function of two determinants: the number of vacancies in the sector; and the degree of scarcity of the identified vacancies. This function was developed on the basis of the behavioural relationship between vacancies and scarcity, to occupational shortages. Demand estimates were calculated through time-series forecasts, using the time-ordered sequence of historical observations on a variable to develop a model for predicting future values of that variable.

The sub-sectors within CATHSSETA are forecast to experience continued strong growth in the years to come. To support the industry's success, and facilitate this projected growth, industry partners must work together to ensure access to suitable skilled labour. In response to this, this SSP will contribute to the following development priorities in the sector:

- Qualification review
- Training provision
- Analysis of skills needs
- Workplace based learning
- TVET capacity building
- Increased need for partnerships
- Transformation in the sector

In order to address the above development priorities to facilitate industry support, CATHSSETA has formed strategic partnerships with employers, Higher Education Institutions (HEIs), Technical and Vocational Education and Training (TVET) Colleges, research partners and other public entities, the details of which are outlined in chapter five.

Through the implementation of the seven (7) Key Developmental and Transformational Imperatives as per the National Skills Development Strategy, CATHSSETA is encouraging and driving transformation in the sector. In response to a national imperative to enhance service delivery CATHSSETA has, in the 2016/17 financial year, expanded from a Head Office in Gauteng to representation in six regions across the country.

The SSP contains five chapters. Chapter 1 presents the profile of the sector and examines the six sub-sectors in terms of scope, economic performance, labour market profile. Chapter 2 identifies factors that drive change in the sector and their implications for skills. Chapter 3 considers the demand and supply of skills and concludes with the identification of occupational shortages and skills gaps in the sector. Chapter 4 provides an outline of the partnerships that CATHSSETA currently has in place and the new partnerships needed. Finally, chapter 5 summarizes the key findings from the previous chapters and identifies and discusses the development priorities.

RESEARCH PROCESS AND METHODS

This section details the research process and methods CATHSSETA has utilized, the findings inform the update of the Sector Skills Plan. The research process entailed conducting primary research and consulting secondary sources to collect relevant data. During 2016 the SETA completed three research studies, namely a Labour Market Analysis, an Impact Assessment, and a Skills Audit.

In the current year, CATHSSETA commissioned a Track and Trace study, which will be completed in the next financial year. The Table below provides a summary of each study.

Table 1: CATHSSETA Research studies

TYPE OF STUDY	TOPIC	NATURE (DESIGN) OF THE STUDY	OBJECTIVES OF STUDY	DATA COLLECTION TOOL	SAMPLE SIZE AND SCOPE OF THE STUDY	LIST OF DATA SOURCES	TIME FRAME OF STUDY
TRACK AND TRACE	Track and trace beneficiaries of learning programmes	Qualitative and quantitative methods	To develop a database of learners who have successfully completed learning programmes during the 2014/15 to 2016/17 period so as to provide employers with a pool of skilled potential employees	Quantitative: Survey Qualitative: Interviews	Scope: Learners who have completed learning programmes during the 2014/15 to 2016/17 period.	Quarterly Monitoring Report (QMR) for the 2014/15 to 2016/17 period.	May 2016 to March 2017
LABOUR MARKET ANALYSIS	Labour market analysis of the Gaming & Lotteries, Arts, Culture & Heritage, and Sport, Recreation & Fitness sub-sectors	Qualitative and quantitative methods	To identify current vacancies and difficult to fill vacancies, establish trends in the sub-sectors, and understand factors driving the demand for skills e.g. migration	Quantitative: Survey Qualitative: In depth interviews and workshops	Convenience sample drawn from CATHSSETA's databases (QMR and WSP/ATR data)	Various including QMR data, WSP/ATR data, Quarterly Labour Force Studies, Publications, Economic reports and outlooks	March to October 2016
IMPACT ASSESSMENT	Impact Assessment of CATHSSETA learning programmes	Qualitative and quantitative methods	To develop an appropriate impact assessment tool and evaluate the impact of Learnership and Internship programmes	Quantitative: Survey questionnaire; method - survey Qualitative: Interview guide and focus group guide; method – In depth interviews and focus group discussions	Sample size: 300 surveys, 180 interviews and focus groups Scope: Learnership and Internship graduates from 2011 to Q3 2015	Quarterly Monitoring Report (QMR) for the 2011 to 2015 (in quarter 3)	February to June 2016

TYPE OF STUDY	TOPIC	NATURE (DESIGN) OF THE STUDY	OBJECTIVES OF STUDY	DATA COLLECTION TOOL	SAMPLE SIZE AND SCOPE OF THE STUDY	LIST OF DATA SOURCES	TIME FRAME OF STUDY
SKILLS AUDIT	Skills Audit of the Tourism, Arts, Culture and Heritage, Hospitality, and Conservation sub-sectors	Qualitative and quantitative methods	To identify skills gaps and key drivers of change for the Tourism sector, and define priorities	Quantitative: Survey Qualitative: Workshops	170 organisations within Travel and Tourism, Hospitality, Conservation, and Arts, Culture and Heritage	CATHSSETA and other industry stakeholder databases	October 2015 to November 2016

Currently, there is no single database for the CATHSSETA which provides a comprehensive profile of the sector as per the 62 Standard Industrial Classification (SIC) codes in the SETA's scope. A range of data sources have therefore been used in developing this SSP. These sources are as follows:

1. The SETA Management System (SMS) is an electronic data management tool used for processing mandatory grants, certification, and Registration of qualifications, learners and skills development facilitators. The SMS also serves as a data storage and reporting facility.

2. Mandatory Grant applications provide data on sector employment, as well as the demographic and occupational profiles of employees per sub-sector. The total Mandatory Grant applications submitted in the 2017 period amounted to 1 337. These 1 337 employers represent 20% of the levy-paying entities in the sector. A recognised limitation of the sector is the lack of data on employers and employees, and efforts to address this limitation are currently underway as surveys to collect further data are conducted. Data for the Mandatory Grant was collected based on the Organising Framework for Occupations (OFO) version 2015.

3. National data sources include the Higher Education Management Information System (HEMIS) maintained by the DHET, publications and reports by the World Travel and Tourism Council (WTTC), the National Gambling Board and South African Tourism, as well as research conducted by other government departments, national research institutions and industry publications.

4. CATHSSETA, together with relevant National and Provincial Government Departments in the sector, conducts research to ensure that there is sufficient data to conduct an accurate labour market and skills needs analysis of the sector. These projects include giving research grants to Universities for research into better understanding the size, employment and economic contributions of the six sub-sectors.

5. Findings from consultation with key sector stakeholders representing the Tourism, Hospitality and to a smaller extent the rest of the sub-sectors have been incorporated in this update of the SSP. Internal stakeholders (Regional Managers, relevant committee/s) also provided input into this SSP, engaged with their specific chambers and provided access to sub-sector specific information.

1. CHAPTER 1: SECTOR PROFILE

1.1. Introduction

This chapter focuses on the composition of the sector with the aim of providing a profile in terms of size, coverage and economic performance. The chapter is organised into five main sections:

- Scope of coverage;
- Key role-players;
- Economic performance;
- Employer profile ; and
- Labour market profile.

1.2. Scope of coverage

The scope of a SETA is based on the Standard Industrial Classification of all Economic Activities (SIC) codes as defined by the South African Revenue Services (SARS). The SETA landscape for NSDS III is described in the Government Gazette of November 2010 which placed 62 SIC codes in CATHSSETA's scope. CATHSSETA has clustered the SIC codes in its scope into six sub-sectors, namely the Arts, Culture and Heritage; Conservation; Gaming and Lotteries; Hospitality; Sport, Recreation and Fitness; and Tourism and Travel Services. All of these sectors fall within the broader services sector of the economy.

There is a heavy dependence on donor funding and volunteerism within some of the sub-sectors, with the exception of the Gaming and Lotteries and Hospitality sub-sectors. Seasonality and job instability, combined with low-pay, long working hours and a lack of clear career paths, are some of the characteristics of the sector. In general, the majority of employees within the sector are youth and jobs in the sector are often seen as transition jobs.

The **Arts, Culture and Heritage (ACH)** sub-sector encompasses the production of arts, crafts, designer goods and souvenirs, casting for film, television and theatre, the dramatic arts, entertainment, museum activities, monuments and the preservation of historical sites and buildings, the management and operation of museums, cultural and heritage activities, music and theatre, as well as arts councils and their activities.
The **Conservation (CONS)** sub-sector includes hunting and trapping, the activities of conservation bodies, game parks, reserves, wildlife parks, zoological establishments and botanical gardens as well as wildlife conservation.
The **Gaming and Lotteries (G&L)** sub-sector consists of gambling, licensed casinos, the National Lottery, the operation and management of horse racing events, clubs and academies, totalisators, bookmakers, limited payout machines (LPMs) and bingo operators.
The **Hospitality (HOSP)** sub-sector comprises hotels, motels, boatels and inns, guest houses and guest farms, bed and breakfasts, the management and operation of game lodges, caravan parks and camping sites, restaurants and tearooms with or without liquor licenses, fast food establishments, take-away restaurants, caterers and catering services, timesharing and bioscope cafes.
The **Travel and Tourism (T&T)** sub-sector consists of inbound and outbound tour operators, safaris and sightseeing bus tours and trip operators, inbound international flights, travel agencies, the renting of land transport equipment, event and conference management, the

operation and management of convention centres, tourist information centres, car hire and tourism authorities as well as guides including adventure, mountain, river, and others.

The **Sport, Recreation and Fitness (SRF)** sub-sector includes sporting activities, sport federations, the operation and management of sporting facilities, clubs and sports academies, the promotion and management of sporting events and activities both motorised and non-motorised, amusement parks, recreational and cultural activities, the operation and management of recreation parks, beaches, fairs, shows and facilities, and the operation and management of health and wellbeing centres, including hydros, spas and fitness centres.

1.3. Key Role-Players

The sub-sectors within CATHSSETA's scope are represented by diverse organisations and members of the workforce. Figure 1 below outlines some of the key role-players and relevant example organisations within the respective sectors. The organisations listed in the diagram are not exhaustive of the entire sector.

- National, Provincial & Local government (NDT, DTI)
- Travel
- Airlines
- Meetings, incentives, conferences, and exhibitions (MICE industry)

- National, Provincial & Local government
- NGOs predominant
- Private game reserves
- Department of environmental affairs
- Dde

- National, Provincial & Local government (e.g. Sport and Recreation South Africa (SRSA)
- Federations (SAFA, SASCOC)
- NGOs are predominant
- Sports and Recreation Clubs
- Health and Fitness establishments (e.g. Virgin Active)

- Artists and Entertainers
- Museums and Heritage sites
- National, Provincial & Local government
- Cultural and heritage practitioners
- Creative professionals
- Crafters
- Technical production
- Department of Arts and Culture
- Visual Arts Network of South Africa (VANSA)

Travel & Tourism · **Conservation** · **Sport, Recreation & Fitness** · **Arts, Culture & Heritage** · **Hospitality** · **Gaming & Lotteries**

- Hotels, and Game lodges
- Restaurants and Food establishments
- Catering establishments
- Federated Hospitality Association of Southern Africa (FEDHASA)
- Hotel, liquor, Catering Commercial and Allied Workers Union of South Africa (HOTELLICA)
- South African Commercial, Catering and Allied Workers Union (SACCAWU)
- Hospitality Industries & Allied Workers Union (HIAWU)

- Casinos
- Horse racing, associations, clubs and academies
- Lotteries
- Bookmakers, Totalisators, Bingo Operators
- Gaming Regulators
- Traditional Horse Racing and Traditional Horse Riding Association
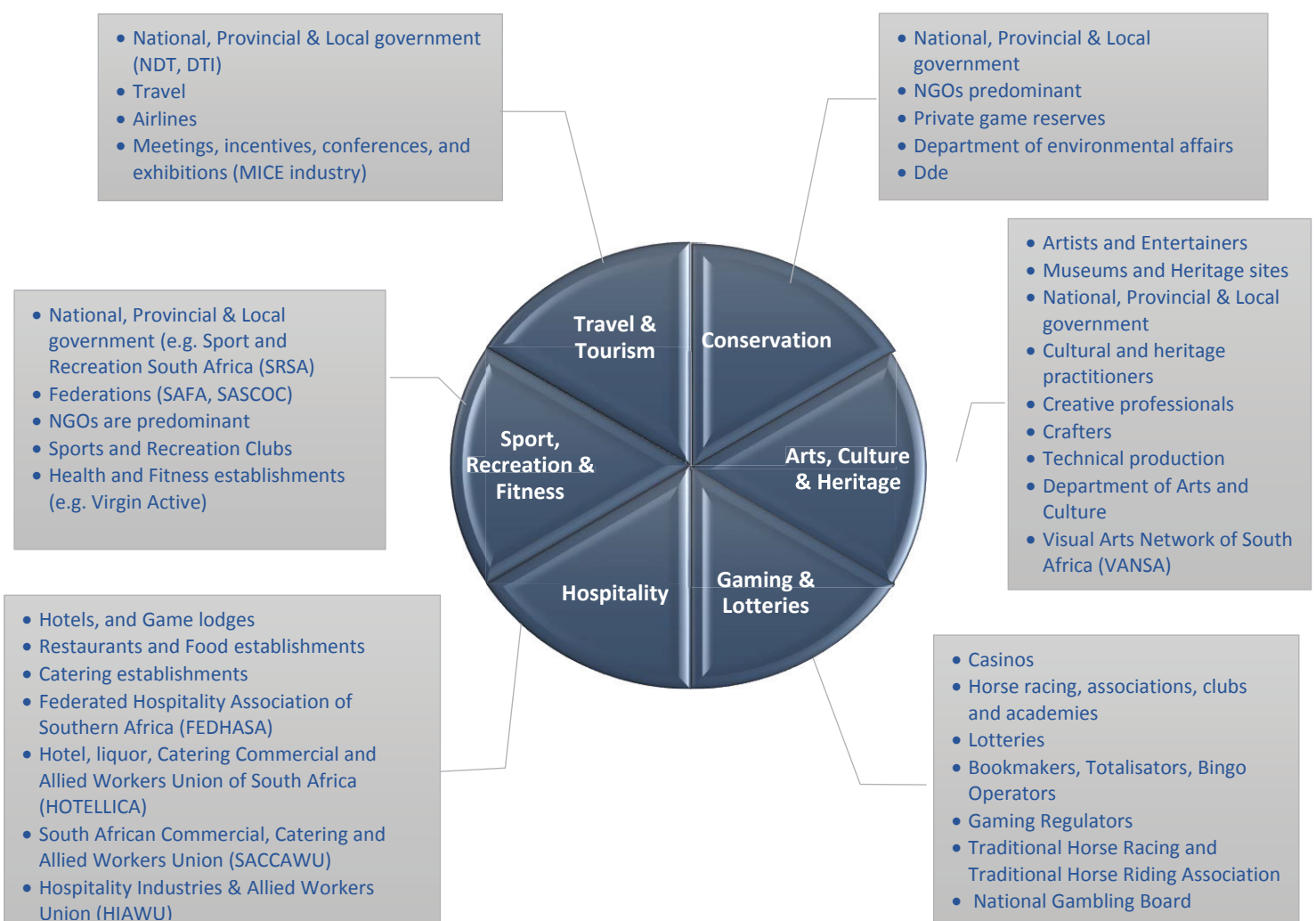- National Gambling Board

Figure 1: Key role-players per sub-sector

As indicated in Figure 1 above, the key role-players in the Arts, Culture and Heritage, Conservation and Sport, Recreation and Fitness sub-sectors include bodies at National, Provincial and Local levels of government. The remaining sub-sectors are comprised of a variety of establishments, industry associations and industry bodies.

1.4. Economic Performance

The economic performance of the sector as a whole is difficult to assess due to the lack of a single sector database encompassing the six CATHSSETA sub-sectors. The sectors are estimated to have contributed R387 billion to the country's Gross Domestic Product (GDP) in 2015, supporting 9% of total employment (National Department of Tourism, 2016). This contribution is largely due to a combination of the performance of the Travel and Tourism, Hospitality and Conservation sub-sectors, with the Arts, Culture and Heritage, Gaming and Lotteries and Sport, Recreation and Fitness sub-sectors making a minimal contribution. However, the sub-sectors have shown resilience and the future outlook is positive.

The economic performance of the Tourism and Travel sub-sector has remained robust in the past financial year. According to the latest report from the World Travel and Tourism Council (2016) the sub-sector's direct contribution to the GDP was R127.9 billion in 2016, an increase from R118.6 billion in 2015. The total contribution of the sub-sector to the GDP also increased – from R375.5 billion in 2015 to R402.2 billion (or 9.3% of GDP) in 2016 (World Travel and Tourism Council, 2016). The sub-sector generated 716,500 jobs directly in 2016, which represents 4.6% of total employment. The total jobs supported amounted to 1 533 000 for the same period, World Travel and Tourism Council (2016). The Gaming and Lotteries sub-sector showed improvement with the gross gambling revenue from casinos, betting, bingo and limited pay-out machines increasing from R23.9 billion in 2015 to R25.9 billion in 2016. The casinos, similar to last year's performance, contributed the highest at 70.2%, which reflects a slight decrease from 72.1% in 2016 (National Gambling Board Annual Report, 2015).

Current statistics on the Hospitality sub-sector focus on the hotel segment i.e. hotel rooms only. A comparison of the statistics indicates that hotel room revenue increased by 8.1% from 13 100 in 2014 to 14 165 in 2015 (PricewaterhouseCoopers, 2016). The occupancy rate also increased from 59.0% to 59.6% during the same period.

The South African Yearbook (2016) reports that the film industry in South Africa is worth about R3.5 billion, an increase from R2.9 billion in 2015, and employs 25 000 people. Based on the latest statistics, the film and television industries (the latter including videos) experienced growth by 13.7% and 11.1% respectively (PricewaterhouseCoopers, 2016). The adjusting figures on the value of the music industry indicate a slight increase from R1.71 billion in 2014 to R1.73 billion in 2015 (PricewaterhouseCoopers, 2016).

There is a lack of up-to-date data on the Arts, Culture and Heritage industries, with the most recent statistics available showing performance in 2014/15. In the 2014/15 period, the Arts, Culture and Heritage industries contributed R90.5 billion to the GDP. The music, crafts and visual/performing arts contributed R17 billion, R3.3 billion and R1 billion respectively to GDP

(South African Yearbook, 2014). In 2014 the cultural and creative industries created between 160 809 to 192 410 jobs and contributed 2.9% to the country's GDP.

The economic data on the Sports, Recreation and Fitness subsector is from an industry study done in 2010. However, it is estimated that this sub-sector contributes directly and indirectly to economic growth. Compared to other sectors, the SRF sub-sector is not a productive sector but acts as a catalyst for job creation in other sectors such as advertising, multimedia, equipment, clothing, footwear, facility construction and insurance services.

Assessment of the Conservation sub-sector indicates that there is a lack of recent official statistics and where these do exist there is no differentiation between the environmental sector and its conservation component, which makes it a challenge to make a clear determination. The lack of accurate official statistics regarding the economic contribution of the environmental and conservation sectors is exacerbated by the fact that, from a green economy perspective, South Africa does not report green jobs individually in any of its official surveys or statistics.

Overall, the economic performance of the sub-sectors has continued to grow, with the tourism sector remaining one of the key drivers of economic growth. The sub-sector injected R35.3 billion into the economy from January to June 2013, which is more than the R32.6 billion contributed by gold exports (Annual Report of the National Department of Tourism, 2013). The overall growth of Entertainment and Media revenue, including that of music, television and filmed entertainment, is estimated to outstrip both nominal GDP and real GDP growth over the forecast period i.e. 2018 (PricewaterhouseCoopers, 2014).

The sub-sectors are estimated to experience growth in the next 3 to 5 years. The total contribution of the Tourism and Travel sub-sector to GDP is forecast to increase by 2.5% in 2017 with employment rising by 6.7% during the same period (World Travel and Tourism Council, 2016). The Gambling Outlook (2016) estimates that, although growth will be restrained by growth in illegal gambling, the gambling contribution to GDP will increase to R34.8 billion by 2020. The film industry is estimated to experience a year-on-year growth of 4.5% by 2020 while the television and video industry is expected to experience a 3.5% year-on-year growth by 2020 (Entertainment and Media Outlook, 2016). The film and television industry will also create 81 000 jobs through various productions (Industrial Policy Action Plan, 2016). The music industry is estimated to make a gradual recovery due to the emergence of paid-for music streaming services, increasing from R1.73 in 2016 to R2.05 billion in 2020 (Entertainment and Media Outlook, 2016).

The Hospitality Outlook (PricewaterhouseCoopers, 2016) estimates hotel room revenue to grow at a 7.8% compounded annual increase, reaching R20.6 million in 2020.

Based on the available statistics, the future outlook of the sub-sectors remains positive with the music industry gaining momentum after the dramatic decline due to the availability of free music content and streaming capabilities.

1.5. Employer Profile

Information on the number and size of entities registered with CATHSSETA has been sourced utilising the CATHSSETA SETA Management System (SMS); the figures are presented in the table below.

Table 2: Number and Size of Entities Registered with CATHSSETA

Sub-sector	Size of Entity			Number of entities registered with CATHSSETA	% in the sector
	0-49	50-149	150+		
Arts, Culture & Heritage	2 024	46	23	2 093	7%
Conservation	1 508	30	19	1557	5%
Gaming & Lotteries	273	35	48	356	1%
Hospitality	18 642	696	298	19 636	69%
Sport, Recreation & Fitness	2 103	75	30	2 208	8%
Travel & Tourism	2 600	77	47	2 724	10%
Total	**27 150**	**959**	**465**	**28 574**	**100%**

Source: CATHSSETA SMS 2017

The Hospitality sub-sector comprises 69% of the sector, making it the largest sub-sector. The Travel and Tourism and Sport, Recreation and Fitness sub-sectors follow, with each representing 10% and 8% respectively.

At 95%, the large majority of the entities registered with CATHSSETA are Small nterprises (SEs). These SEs are predominantly exempt from the payment of the Skills Development Levy (SDL). The large size of the sector, combined with the small levy base makes the allocation of resources a challenging task.

In order to examine the levy income from organisations within the sector, we compare the total levies received from the 2015/2016 financial year to that of the 2016/2017 period. Figure 2, below, illustrates this comparison. The total levies received from employers have increased by 9% from the 2015/2016 period to the 2016/2017 period from R304 million to R330 million.
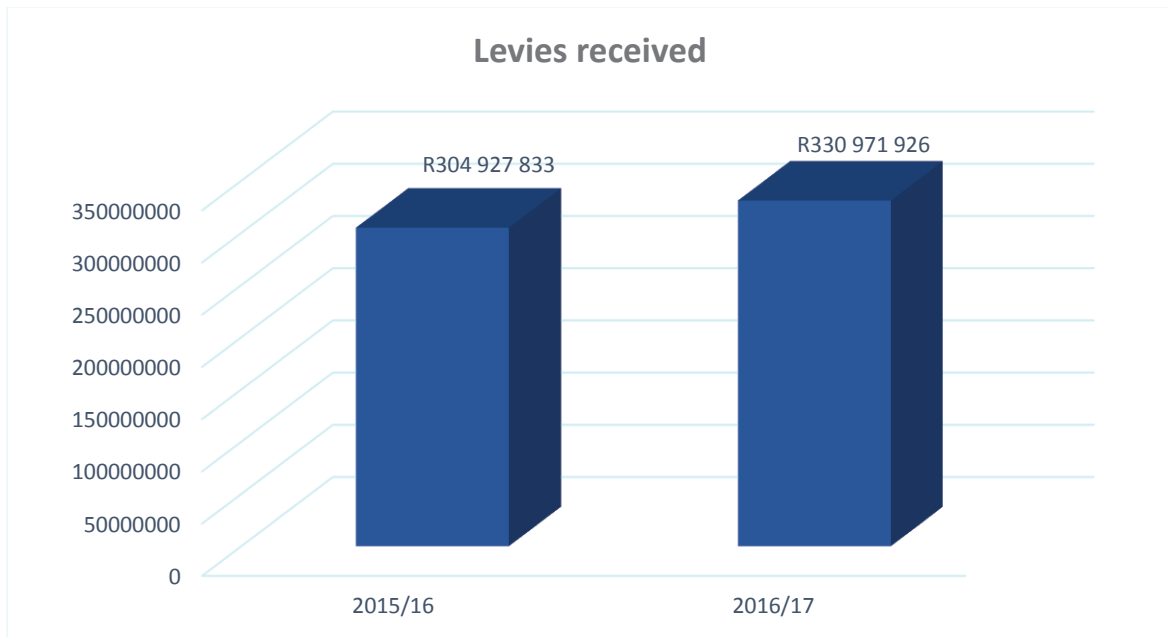
Figure 2: History of levies received during the 2015/16 and 2016/17 financial years
Source: CATHSSETA Annual Financial Statements

The number of levy payers has increased from 6 297 in 2015/16 to 6 717 in 2016/17, yielding a 7 percent increase. The 6 717 levy payers consist of 24% of the total number of registered entities within the sector. Almost 50% of the levy income received, as regulated, is directed to Professional, Vocational, Technical and Academic (PIVOTAL) training interventions in the sector.

The geographical spread of the entities in the sector is illustrated in Figure 3. The distribution of entities follows a similar pattern as in previous years, with a majority (46%) of the entities located in the Gauteng province. The KwaZulu-Natal and Western Cape provinces account for the second and third largest in terms of the geographic spread of entities at 17% and 15% respectively.
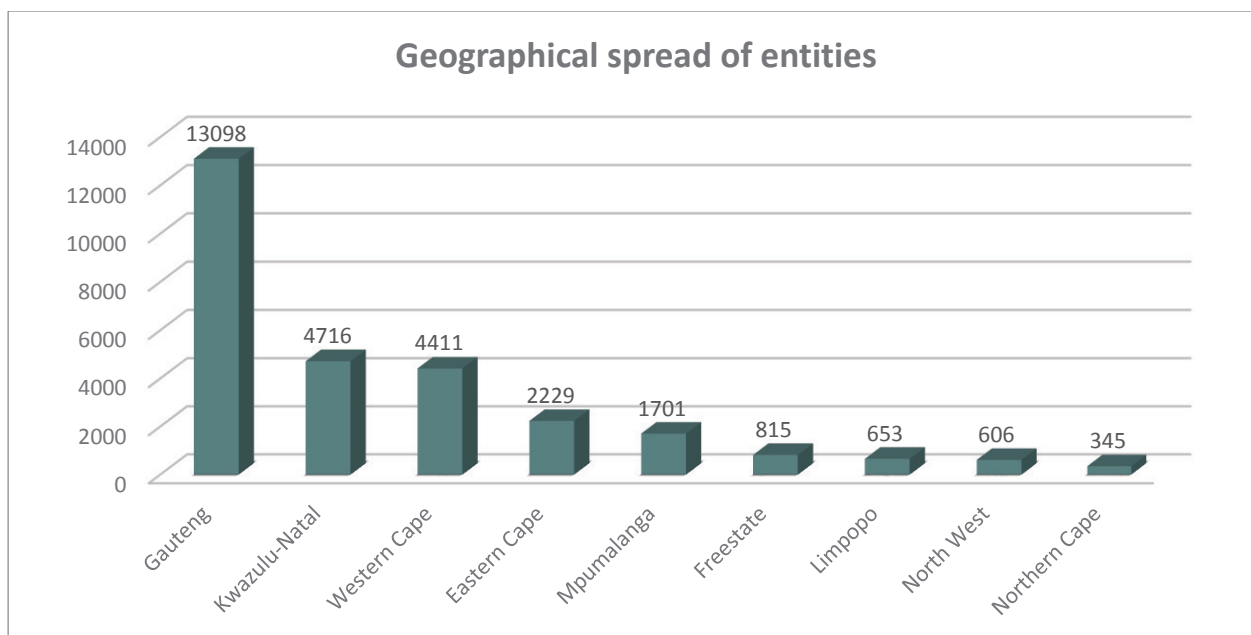
Figure 3: Geographical location of entities registered with CATHSSETA
Source: CATHSSETA SMS 2017

Analysis of the start-up and closures of businesses in the sector indicates that the hospitality industry is characterised by a high rate of such start-ups and closures, due to the prevalence of small size organisations. A further contributing factor is the viability and liquidity positions of such businesses. Three key elements have been identified that contribute to the high rate of business start-ups in the hospitality industry. These are: minimal capital investment requirements; non-necessity of specialist knowledge; and the low qualification barriers to entry as compared to other industries. External elements such as location, number of competitors, and affiliation with a group affect the survival of hospitality organisations and may encourage closures. According to South African Tourism (2016) in the next five years, the large organisations in the sub-sector will contribute about 2 500 rooms through the establishment of new hotels. Some of the major hotels, each of which will have at least 200 rooms, include four establishments set to open during 2017, namely, the Radisson Blue Hotel and Residences (Cape Town), Tsogo Sun Stayeasy and Sunsquare (Cape Town), Sun International Menlyn, and Radisson Red in Cape Town's Victoria and Albert Waterfront. Two more hotels, the Marriott Executive Apartments (Johannesburg) and ibic Communicare (Cape Town) are set to open in 2019.

Gaming and Lotteries in South Africa has been heavily restricted, with South Africa's Gambling Act of 1965 officially banning all forms of gambling, except betting on horse racing which is considered a sporting activity. The National Gambling Act (2004) permits 40 licensed casinos in South Africa. In June 2016 the number of casino licenses was increased to 41. However, the extra licence has not been issued as the matter is still under review. A total of 38 casinos are thus currently licensed and operational. The Tsogo Sun Group, Sun International and Peermont Global Group are the leading casino companies in South Africa, together accounting for 35 of the 38 licensed casinos.

Data within the Sport, Recreation and Fitness sub-sector is currently not available as most organisations operating within this area are not formally registered. An example of this is the case of community-based clubs which are not formally registered. The Conservation sub-sector is divided between the public sector, private sector, and Not for Profit sector and current information on the start-ups and closures is not available. IPAP 2 recognises the Cultural Industries as growing at a rate far higher than the well-established industries of service and manufacturing, offering opportunities to small and medium sized enterprises that have the potential for global competitiveness. Within the music industry operational costs are the greatest expense and the highest inhibitor of small businesses in the sector, which often leaves them struggling to sustain themselves. A general characteristic of this industry is the dependency on government grants which cannot prevent the closure of organisations that lack self-sustainability. Overall, data on the sector is limited and tracking of the start-ups and closures of businesses within the sector is challenging due to the nature and scope of the six sub-sectors.

1.6. Labour Market Profile

Analysis of the labour market profile in terms of employees per sub-sector and geographical spread has been provided in Figures 4 and 5 as follows.
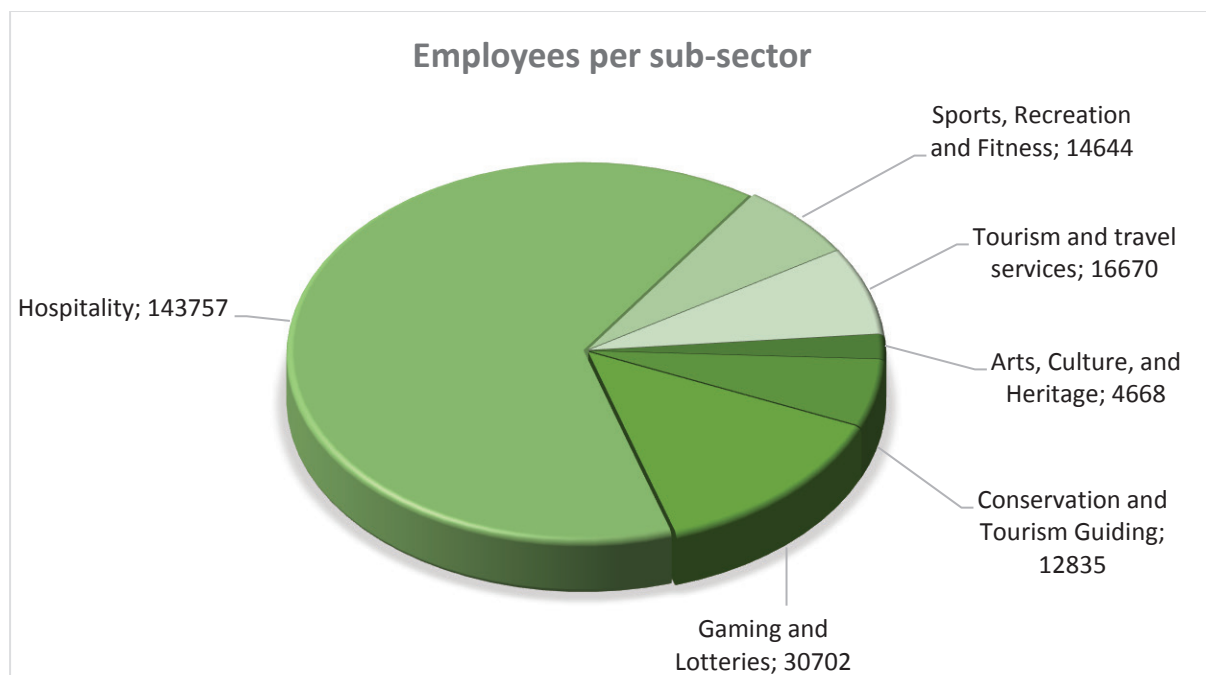

Figure 4: Employees per sub-sector
Source: CATHSSETA SMS 2017

Based on Figure 4 above, the following is evident per sub-sector:

- **Arts, Culture & Heritage:** The number of employees reported increased from 2 102 to 4 668 in 2017. Due to this increase, the sub-sector represents 2% of employees, an increase of 1% in the past 2 years.

- **Conservation:** The number of employees increased by 20% from 12 100 in 2014 to 14 477 in 2015 before decreasing to 8 614 in 2016. In 2017, the sub-sector reported a total of 12 835 employees.
- **Gaming & Lotteries:** This sub-sector has increased by 10% from 27 879 employees, in 2016 to 30 702 in 2017. The sub-sector remains the second largest sector in terms of the number of employees.
- **Hospitality:** The Hospitality sub-sector remains the largest employer in the sector, with a total of 143 757 employees reported. The number of employees has increased by 7% from the previous year, with the sub-sector now representing 67% of employees in the sector.
- **Sports, Recreation & Fitness:** In the past 3 years, the sector has been steadily increasing, with a 13% growth reported, from 14 089 in 2015 to 15 990 in 2016. However, the number of employees reported decreased by 6%, from 15 990 to 14 644, in the past year.
- **Travel & Tourism:** The number of employees reported has been decreasing since 2015 – with 18 171 reported in 2015 to 17 696 in 2016. In the current year, 16 670 employees have been reported, indicating a 6% decrease. However, the sub-sector still represents 8% of employees in the sector, and thus continues to be the third largest.
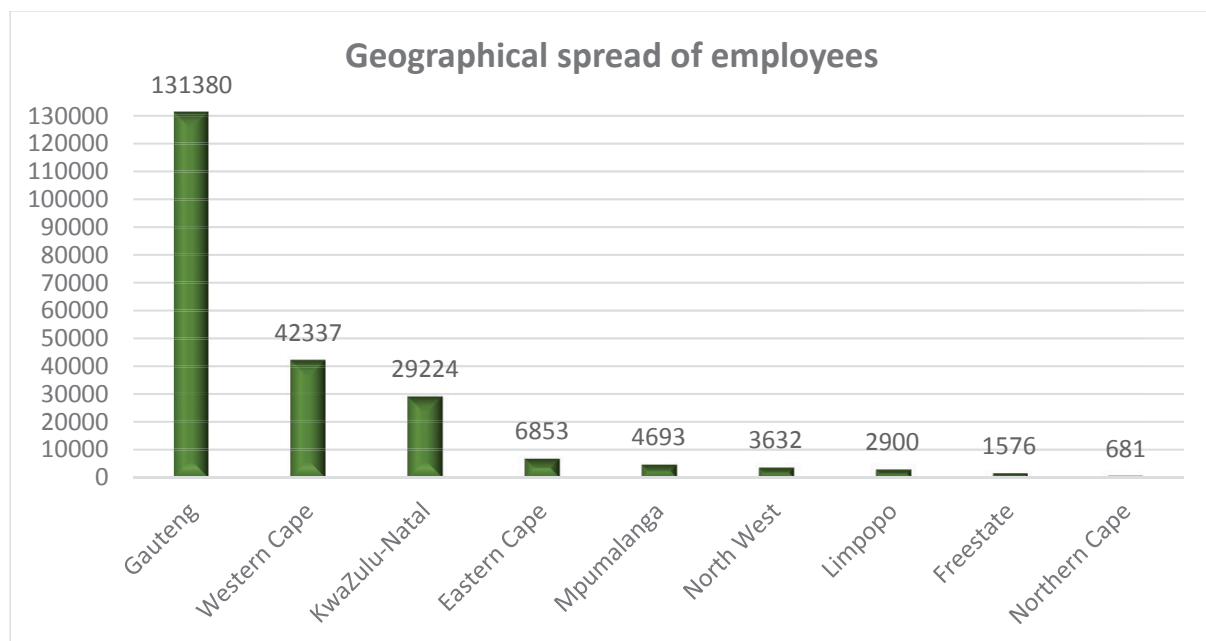
Figure 5: Employees in the sector per province
Source: CATHSSETA SMS 2017

The geographical spread of employees in the sector is shown in Figure 5 above. The largest number of employees is situated in the Gauteng, Western Cape and KwaZulu-Natal provinces, which is in line with the distribution of entities. This geographical spread is justifiable based on the cities of Johannesburg, Cape Town and Durban being voted the top 3 cities to visit in South Africa (South African Tourism, 2016). Furthermore, South African Tourism (2016) ranks the Elephant Coast, Cape Winelands, Drakensberg, Battlefields and Garden Route as the most popular attractions. These attractions are located within the KwaZulu-Natal and Western Cape provinces, while Soweto in Gauteng is also ranked as a popular destination.

The gender and race demographics are provided in Figures 6 and 7 respectively. An analysis of employees based on these demographics per sub-sector indicates the following:

- **Arts, Culture & Heritage:** Female employees represent 55% of the sub-sector, showing an increase from 41% in 2016. The number of Black African employees also increased from 860 in 2016 to 3 077 in the current year.
- **Conservation:** This sub-sector employs more males, who represent 59% of employees. This could possibly be a reflection of the nature of the jobs (hunting, trapping, park rangers, etc.). Black African employees make up 79% of the sub-sector with Coloured, White and Indian racial groups making up 10%, 10% and 1% respectively.
- **Gaming & Lotteries:** This sub-sector is dominated by African employees (79%), and has slightly more females (58%) than male workers.
- **Hospitality:** In this sub-sector, the number of employees is skewed towards females who represent 62% of the sub-sector. The racial distribution is similar to that of the Conservation sub-sector in which Black African employees make up the majority and the Indian population group is least represented.
- **Sports, Recreation & Fitness:** This is the second sub-sector dominated by male employees, who make up 60% of the work force.
- **Travel & Tourism:** Female employees make up a majority of this sub-sector at 61%.
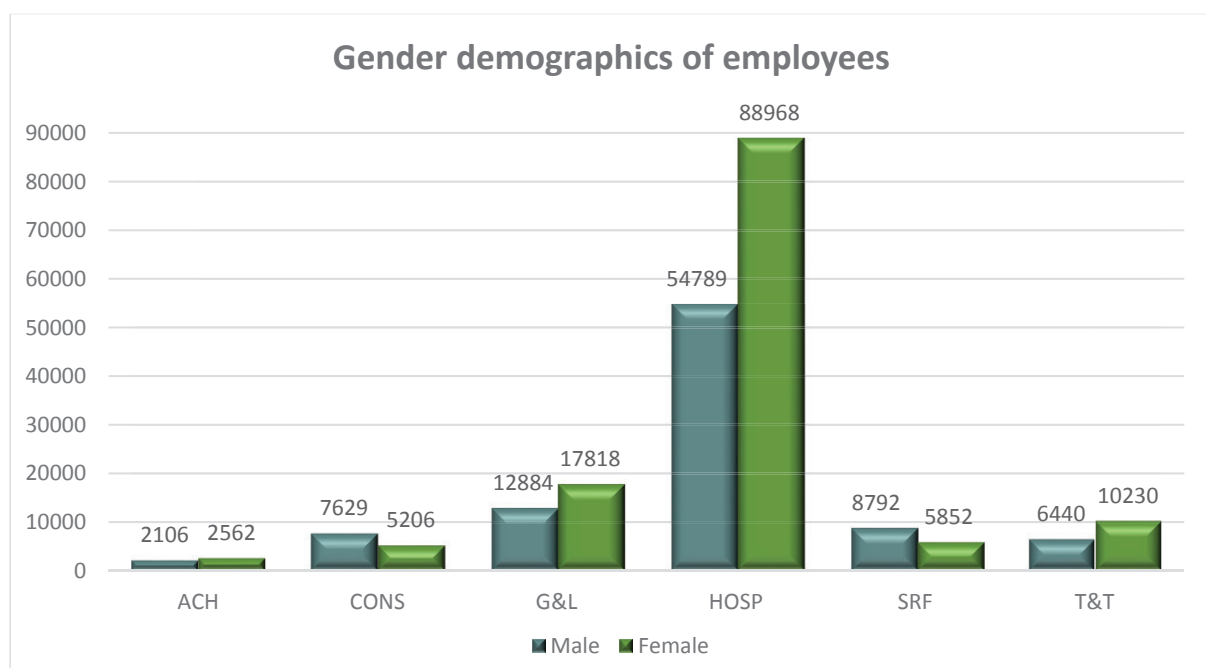
Figure 6: Gender demographics of employees per sub-sector
Source: CATHSSETA SMS 2017

The race demographics of the sector are presented per sub-sector in Figure 7 below. Similarly to previous years, a majority of the employees fall within the Black African race at 75%, followed by White and Coloured population groups at 11% each and finally the Indian population group at 3%.

Race demographics of employees

Sub-sector	Black African	Coloured	Indian	White
T&T	7733	2672	1140	5125
SRF	7725	2209	441	4269
HOSP	114254	15337	2737	11429
G&L	24191	2659	1737	2115
CONS	10087	1300	146	1322
ACH	3077	549	149	893
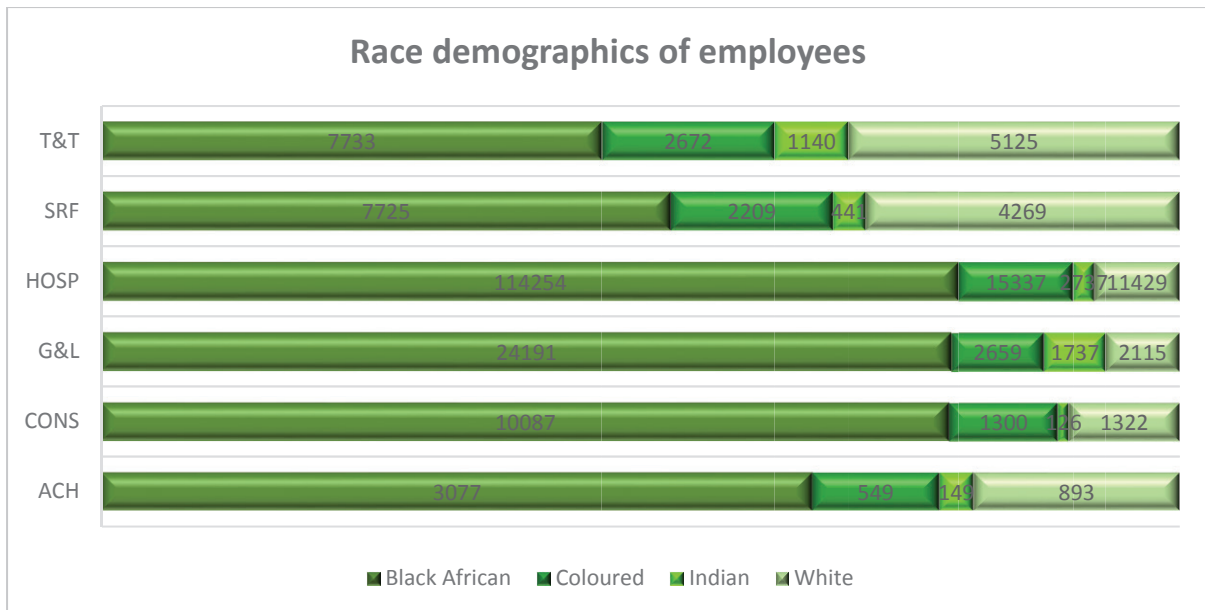
Figure 7: Race demographics of employees per sub-sector
Source: CATHSSETA SMS 2017

The disability status of employees presented in Figure 8 below indicates that the Hospitality sub-sector employs the largest percentage of people with disabilities, increasing from 612 in 2016 to 776 in the current year. This is followed by employees with disabilities in the Gaming and Lotteries sub-sector (274) and the Travel & Tourism sub-sector (77). The SRF sub-sector reported the least number of employees with disabilities. Overall, the number of employees with disabilities has been increasing, from 797 reported in 2015 to 1 202 in 2017.

Disability status of employees

Sub-sector	Value
HOSP	776
G&L	274
T&T	77
ACH	49
CONS	19
SRF	7
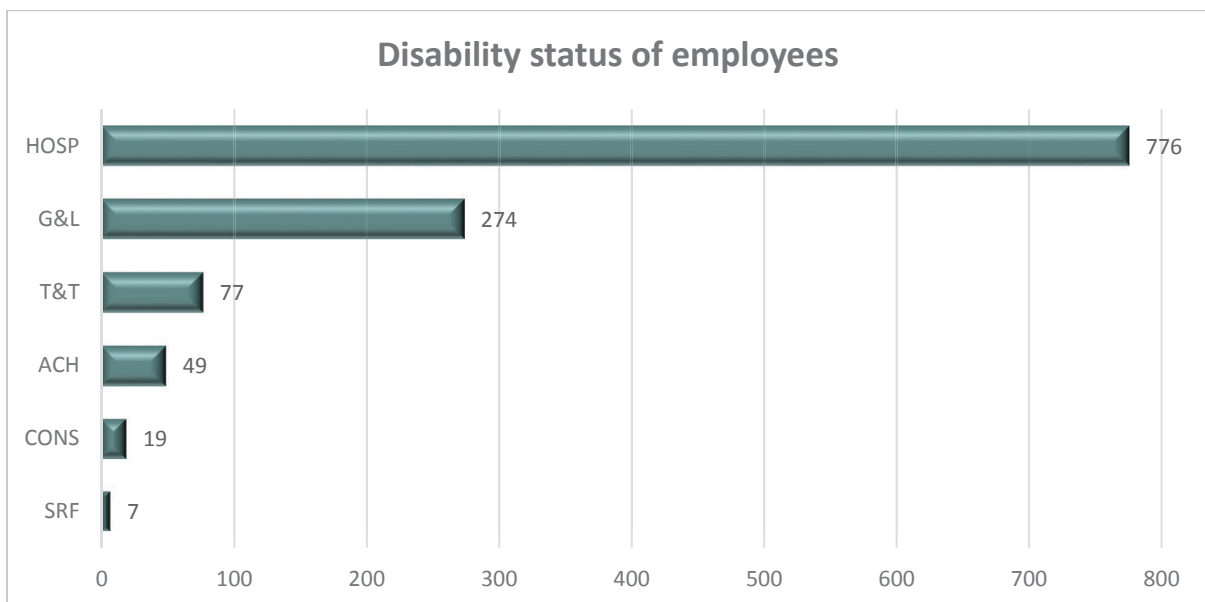
Figure 8: Disability status of employees within the sector
Source: CATHSSETA SMS 2017

Black African employees occupy the majority of Service and Sale Workers positions as well as Elementary and Clerical Support Workers major groups as per the OFO major group presented

in Figure 9 below. Based on the current data, the number of female employees occupying positions in the Manager Major group has increased from 10 688 to 13 844. The number of female employees in Service and Sales, Clerical Support Workers and Elementary Occupations has also increased significantly in the past year.

Employees per OFO major group

	Manager	Professionals	Clerical Support Workers	Elementary Occupations	Plant & Machine Operators & Assemblers	Service and Sales Workers	Skilled Agri Forestry Fishery, Craft Trades	Tech. & Ass Professional
Black African	12627	4145	22634	46431	4087	62580	1969	12594
White	8528	2769	4716	446	131	2504	271	5788
Coloured	2973	933	5326	4839	583	6603	335	3134
Indian	1635	573	1897	180	63	894	52	1036
Female	13844	3771	23533	30301	375	47457	425	10930
Male	11919	4649	11040	21595	4489	25124	2202	11622

Figure 9: Employees per OFO major group
Source: CATHSSETA SMS 2017

1.7. Conclusion

This chapter has outlined the scope of the sector including a description of the key role-players, an analysis of the economic performance of the sector and the competitive position of the sector. Furthermore, it has analysed the employer and employee profiles, reflecting trends and patterns of employment. This analysis of the sector has indicated that it has experienced growth, with the approximate contribution of the sector to employment in the country exceeding 1.5 million jobs.

2. CHAPTER 2: KEY SKILLS ISSUES

2.1. Introduction

This chapter focuses on factors that drive change in the sector. Factors such as globalisation, technological change and the changing nature of the sector have the potential to impact the nature of work on a macro level and this translates into changes in terms of how work is carried out. The aim of this chapter is thus to identify the major factors impacting skills demand and supply, and the implications these have for skills planning in the sector.

The chapter also looks at the National Strategies and Plans to identify their relevance to the sector and the implications they have for skills planning. The change drivers and National Strategies and Plans were identified using desktop research and consultation with the sector's stakeholders. An analysis of these is conducted and the implications in terms of skills planning are extrapolated and related to interventions offered by the SETA.

The chapter is divided into the following two sections:

- Change drivers; and
- Alignment with National Strategies and Plans (including sub-sector specific strategies and plans)

2.2. Change Drivers

This section looks at technology, globalisation, legislative issues, and the changing nature of the sector as the key factors that drive change within the sub-sectors and thus influence skills planning. Identification of these factors was elicited from a variety of sources, including desktop research and input from stakeholders through workshops, interviews and focus groups.

Technology

Technology is a key driver of change for businesses within the CATHSSETA sector and the impact of technological advancement is seen within all the six sub-sectors. An example of this within the Gaming industry is the increase of online betting which, although illegal, has tended to widen their offerings and attract new types of customers. The proliferation of Electronic Bingo Terminals, or stand-alone mini casinos, is also widening the offerings. Within the lotteries industry, the impact of technological change is seen in the increasing availability of online platforms - such as mobile phone applications, and website and mobile banking applications – through which customers may purchase lottery tickets.

In the Tourism and Hospitality sub-sectors, technological advances have resulted in the use of electronic tourist passes, global IT booking systems, satellite-enabled environmental management, the sustainable management of tourist resources, telecommunications integration, energy-efficient microsystems, food hygiene control systems for hotels and restaurants, the equipment and systems to improve accessibility for disabled persons, electronic translation devices, and thalassotherapy equipment for hotels (International Labour Organisation, 2014).

Other key technological changes affecting the industry include the growing use of the internet to purchase services, the growing popularity of User Generated Content websites (such as Tripadvisor), the use of database mining techniques to target consumers, and the increased utilisation of social networking websites as marketing tools.

In the Hospitality industry, the availability of the internet has seen an increase in the online booking of accommodation as well as the number of establishments providing Wi-Fi. Most recently, hotels are adopting digital systems that allow service automation such as mobile check-in and room service, as well as upgrading guestroom technology to support the devices guests use. There is also a move towards creating a personal experience for guests which entails leveraging data from social media, mobile apps and on-premises sources to meet guests' preferences. The implication of these advances is increased investment in both capital infrastructure and the availability of skills to service such technology.

A review of the tourist guiding and car rental industries indicates that the role of technology has become increasingly more important here. To improve on the product being offered to tourists, employees in these fields need to be able to use technology. An example of this is a Tour Guide having immediate, online access to information on key points of interest when guiding tourists, including remote listening devices that tourist guides use when guiding visitors.

The Sport, Recreation and Fitness sub-sector has also become more technologically driven, with technological advances in gym equipment, electronic media and the manner in which sports events are covered. The use of technology in sporting games is on the rise and encompasses various technologies, such as Hawk-Eye Technology, high-tech aids that help referees in decision making and numerous software packages designed to enable fitness and nutrition professionals to organise data and produce reports. In distance running programmes, trainers use smart clothing (humionics) to monitor distance and body functions. There is also an increase in the use of assessment devices by personal trainers to create body imaging for clients. Advancement of technology has also changed how people view, or gain access to sport. The internet and cellular technology now allows people to receive match results instantaneously, at the same time allowing for new ways of advertising through sport.

The implications of these technological advances is the need for new skills set for traditional occupations. In the Conservation sub-sector, curators and conservation biologists require information management skills. As a result, there is a growing demand for crosscutting trans-disciplinary skills. This calls for tailored professional development programmes to support the traditional higher education curricula, which should also offer programmes of specialisation at post-graduate level.

The increased use of technology is likely to reduce the need for some physical human resources while at the same time driving the demand for new skills and roles to be generated. In the Arts, Culture and Heritage industry there is a move towards increased use of digital communication in editing and post-production tasks, which will likely impact the human resources required. Similarly, the use of virtual fitness instructors within the Recreation field will likely see a decrease in the use of Fitness Instructors and fitness facilities.

Globalisation

This has brought about the emergence of a more "sophisticated tourism market" which has implications for skills and training. A more discerning and experienced consumer is demanding higher quality products and services, raising the demand for skills such as customer service. In terms of providing a better service to international visitors, skills that potentially need improving include: the ability to be able to communicate clearly in simple English, cultural awareness, intercultural skills, language skills and local knowledge. In addition, language training in the Mandarin, Japanese, Spanish and Russian languages has been recognized as vital to ensuring service excellence when dealing with visitors from some of the country's source markets.

The music industry, film, television, live events and technical production industries are evolving and changing fast to adapt to new occupational patterns and skills demands. These are brought about by fast-changing market conditions, competition, economic restructuring, advancing technologies and process and product improvements. The current process of economic and technological transformation requires a constant renewal of skills on the part of workers, employers and managers, and it favours those countries best able to meet this demand for enhanced skills. An example of this is seen as record companies increasingly require a workforce that is more flexible, more skilled (especially in terms of marketing music in the digital space) and more adaptable to rapid changes in the business environment.

Legislative issues

New visa regulations, which came into effect in October 2014, were intended to safeguard the interest of children and prevent child trafficking. However, these regulations negatively impacted the tourism sector which saw a 6.8% decrease in economic performance. The regulations were later revised in October 2015 to provide increased flexibility. The revisions were expected to benefit the industry, in terms of encouraging increased tourism to the country. While the performance of the sector improved in the latter half of 2016, the sector has not fully recovered from the unintended consequences of the regulations.

The revised National Gambling Policy (2016) focuses on transformation in the sector, particularly relating to the ownership and management control of casinos and other gambling outlets. This indicates a need to support and accelerate the development of previously disadvantaged groups.

The changing nature of the sector

The nature of the sector is changing. This is seen particularly in the SRF sub-sector in which there has been an increased recognition of the importance of sport, coupled with the move towards increasing globalisation. The effect of this is evident in the diversification of the types of people participating in sport. For example, in South Africa more women are becoming involved in and participating in sport and people from lower socio-economic groups are becoming more active and are wanting to live a healthy lifestyle. Rising change in those participating in sport means that people or consumers start to demand specialised and specified services in sport, recreation and fitness (consumer-orientated demands).

The perception that some occupations are hobbies, for example arts and crafts, singing, acting and so on, means that there is little emphasis on actual education and training in these fields. Entrants into the workforce thus often have no qualifications and very limited skills. Within the Gambling sub-sector, horse-racing events are sometimes viewed as fashion events, which perpetuates the lack of awareness of the various careers available within the field. These misconceptions reflect the need to modernize the public perception of such occupations and promote them as critical economic drivers.

The recent past has seen a growing trend in the convergence of industries such as arts, culture and heritage, with tourism leading to heritage and cultural tourism. Other examples include sports tourism, coastal or marine tourism, and creative tourism.

2.3. Key skills implications

The key skills implications based on the occupational patterns and skills structures outlined in the previous section may be summarised as follows:

- The profile of skills now required by businesses, taking into consideration the progression of technology, includes those of data analytics, web development, e-commerce, online marketing and social media management.
- These changes have resulted in a demand for graduates who are not only competent in their fields of study but also entrepreneurial in their thinking and technologically savvy.
- For management occupations within the Conservation sub-sector, adaptive skills such as managing systems, complexity, knowledge brokering and advocacy are becoming critical. Increased technology will likely see a delineation of occupations which may impact the training component to include technology.
- Within the Gambling sector, there is a need for the development of entrepreneurial and managerial skills particularly amongst previously disadvantaged groups to enable transformation in the sector.
- Due to the changing nature of the sector, the convergence of industries in creative activities will require increased knowledge and skills that cut across industries.

Based on the factors outlined above, the following emerging occupations have been identified per sub-sector through consultations with chamber working committees.

Table 3: Emerging Skills

Sub-sector	Emerging Skills
Arts, Culture & Heritage	Stagehand, Taxidermists and Audio-visual 3D Technician
Conservation	Biotechnician, Sustainability Manager, Environmental Economist and Biodiversity Stewardship, Wildlife Trade Economist, Wildlife Rancher
Gaming & Lotteries	System Administrators, Application Support, Draw Officers
Hospitality	Barista, Spa Managers, Food Safety Assurers and Revenue Managers
Sport Recreation and Fitness	Corporate Wellness Consultants and Practitioners
Travel and Tourism	Product and Contracting Executive Tour Operators, Independent Travel Consultants/Professional Travel Agents

Source: CATHSSETA SMS 2016

Industry stakeholders for the sub-sectors, excluding the Conservation sub-sector, are of the view that, while no new/emerging occupations are likely to appear in the near future, there is a need to improve the existing skills of current employees. This includes developing good knowledge about industry, acquiring decision-making skills, business acumen as well as the ability to use and keep up with improving technology.

Given the skills-biased nature of the current economic and technological transformation, worker training (formal education, vocational training and training in firm-specific activities) assumes an increasingly crucial role. Public and private institutions, including educational institutions, employment agencies, counselling and community organizations, are all instruments intended to assist individuals develop the skills necessary to find and retain formal employment. Because there appear to be enormous shifts in employer needs, considerable effort is required to improve literacy rates and general education levels rapidly, as well as to equip those in the informal economy with skills for which there is a demand or to create demand for the skills that informal workers have to offer.

2.4. Alignment with National Strategies and Plans

The following section outlines the National Strategies and Plans relevant to CATHSSETA's sub-sectors and details the alignment of these to skills planning within the SETA.

White Paper on Post School Education and Training

The White paper sets out strategies for an improved post school education and training system that will meet the needs of South Africa by 2030. A sharpened focus of SETAs is proposed, limiting the scope of a SETA to training of employees within the relevant sector and unemployed persons wishing to enter the sector. It is proposed that SETAs will be further employed to provide supply-side data towards the development of a national skills system. The focus of the SETA mandatory grant will be exclusively on gathering accurate data on sector skills needs. SETA discretionary grant funding will be intended for programmes aimed at supporting both existing workers and potential new entrants to the labour market. Providers could be public, private or even an employer's own in-house training institutions, provided they have the capacity to provide all or substantial parts of qualifications.

As it currently stands, the White Paper reinforces the vision of the National Development Plan (NDP). In terms of the proposed Technical Vocational Education and Training (TVET) Colleges, CATHSSETA has and is currently instrumental in the review of qualifications offered by TVET colleges as well as enriching the capacity of TVET college lecturers through the provision of exposure to industry, training on OD-ETDP programmes and other training programmes.

National Development Plan

In respect of the CATHSSETA sector and the quality of training delivered, it is pertinent to note that the very nature of the sector constitutes in-house or non-accredited training, as seen in the Planning and Reporting data submitted to CATHSSETA. This issue is further exacerbated by the absence of professional bodies to ensure the quality of training. In keeping with the vision of the NDP, and to promote the drive of accredited training supported by the grant regulations, 80% of all Discretionary Grants are spent on PIVOTAL programmes. These have been allocated through bursaries to employed as well as unemployed learners pursuing

sector-related qualifications. In addition to this, CATHSSETA supports Work-integrated Learning Interventions, Learnerships for both employed and unemployed persons and Skills Programmes that cater for the acquisition of critical skills for the employed.

In response to the NDP's vision of the TVET colleges becoming preferred institutions of vocational learning and the improvement of education at TVET colleges, CATHSSETA's role in building relationships between education institutions and employers is crucial. In addition to this action, the capacity of TVET colleges has been improved through interventions addressed at providing TVET College lecturers with exposure to industry. The review of the Chef qualification, the only trade that falls within the sector, has been completed and the qualification is due to be launched this year. CATHSSETA has partnered with UMALUSI, the National Department of Tourism, and various industry stakeholders to review the National Certificate Vocational (NCV) for both Hospitality and Tourism. This project critically examined supply issues in the labour market and has yielded significant findings that will allow for the scope of these qualifications to be realigned to industry expectations and will ensure that TVET College Graduates are readily absorbed into the labour market. The NCV review has produced a research report entitled "At Your Service - Towards an informed understanding of the NC (V) Tourism and Hospitality programmes". This report documents the exact curricular changes required for the NCV qualifications and the review task team has commenced with the actual revision of the curriculum.

CATHSSETA has further responded to the proposals outlined in the NDP by ensuring that the directive on public entities' contribution of training budgets was communicated through national workshops in partnership with the Department of Public Service and Administration. Guidelines have been developed and continuous engagement with relevant public entities are currently underway to ensure participation.

National Skills Accord
Since the inception of the National Skills Accord of 2011, and in response to such, CATHSSETA has negotiated partnerships with employers and learning institutions. CATHSSETA strives to ensure that the submission of training plans and reports are subject to consultation with organised labour within a specific organisation. Training Committee workshops are held nationally, with the aim of establishing and empowering Training Committees in the workplace.

Employment Tax Incentive Act 2013
This Act, commonly referred to as the Youth Wage Subsidy, encourages youth employment and plays a pivotal role in the CATHSSETA sector. As reported in the Mandatory Grant application, over 55% of employees in the sector are youth. Thus, the incentive encourages employers to continue employing from this age group. The sector, specifically Hospitality and Tourism, is characterised by the perception that it offers transitional employment and thus attracts employees that fall in the 18 – 29 age category. In addition to this, the regulation of wages in the sector, e.g. the Sectoral Determination, allows employers within the sector to participate and derive benefit from the incentive. The Act was extended to 2019 with an amendment that caps the incentive available to an employer at R20 million per year.

The National Skills Development Strategy (NSDS) III

The NSDS III strategy consists of 8 goals, 16 outcomes and 38 outputs to be achieved by SETAs in collaboration with the DHET, TVET Colleges, Universities and the National Skills Fund (NSF).

Rural economic development and the provision of skills for rural development, as outlined in the NSDS III, remains a key priority for CATHSSETA. In order to ensure effective service delivery throughout the country, CATHSSETA established regional offices. Rural development projects and support for unemployed youth within rural areas remain a focus with six (6) rural skills development projects implemented in the 2016/17 financial year and seven (7) set for the 2017/18 financial year.

Transformation within the sector still remains a challenge but is encouraged through the utilisation of the NSDS III Developmental and Transformational imperatives which have been incorporated into the CATHSSETA criteria for allocation of Discretionary Grant funds. These criteria state that organisations need to take into consideration these developmental and transformational imperatives in order to access discretionary grant funding. All Discretionary Grant allocations within CATHSSETA focus on the promotion of these developmental and transformational imperatives.

The Sector Education and Training Authorities (SETAs) Grant Regulations:

The table below provides comparative figures from 2014 to 2017 of the Mandatory Grant Applications submissions received by the SETA. In the past three years there has been a steady increase in the number of applications received.

Table 4: Mandatory Grant applications received from 2014 - 2017

Year	Total submissions
2014	1 111
2015	1 231
2016	1 270
2017	1 337

CATHSSETA SMS: 2014-2017

A majority of employers channel the Mandatory Grant received from SETAs back into their training budgets. A decline in applications could thus indicate a diminished focus on conducting training. This also impacts the quantity of data available on employers and employees in the sector, as fewer employers submit Mandatory Grant applications.

The current Grant regulations do not require SETAs to have a policy on Mandatory Grants (MG). Despite this, CATHSSETA has developed a Mandatory Grant policy guided by these Regulations in order to regulate the system. The Discretionary Grants (DG) policy and framework provides clear requirements regarding the allocation and distribution of these grants. The impact of the grant regulations translated into the following: the DG window is now aligned to close at the same time as the MG (i.e. 30 April); and the DG policy makes provision for the inclusion of Strategic Projects and increased transparency in the working of the SETA. Previous records indicate that approximately 80% of monies were spent on PIVOTAL training and thus the transition from old practices to compliance with the Grant regulations has not been difficult.

The small size of the levy income and the nature of the CATHSSETA sector (being predominantly event driven) are limitations to the SETA. The decrease from 50% to 20% of the MG filters down to impact on the resources available for research, and this component falls under the non-PIVOTAL budget. CATHSSETA mitigates this shortcoming by establishing a national research network with Higher Education Institutions (HEIs) and through funding learners at post graduate levels to research sector-specific topics, thereby linking PIVOTAL outcomes to increased research capacity within the sector.

The Strategic Integrated Projects (SIPs):

CATHSSETA's approach to SIPs funding has been integrated into the DG framework. The skills required for the delivery of the SIPs have been presented by the DHET and CATHSSETA has identified the following four (4) skills which will be addressed by supporting a total of 60 persons through Work Integrated Learning Programmes:

- o Environmental Manager;
- o Programme or Project Administrator's Assistant;
- o Truck Driver and
- o Handypersons

New Growth Path

The vision is to create five million jobs by 2020. The Plan sets out the key jobs drivers (areas that have the potential to create employment) and the priority sectors that will receive focus over the next few years. Tourism is one of the sectors that has been identified as a potential growth area. In order to develop these sectors, we will focus on improving education and skills development, enterprise development, promoting small business, and encouraging entrepreneurship. CATHSSETA will play an important role in developing skills through developing and improving qualifications relevant to the sector as well as supporting the development and sustainability of small business in the sector.

Sectoral Determination 5: Learnerships

The Sectoral Determination Number 5 for Learnerships governs the employment of learner workers, which includes all Learnership agreements and Skills Development Programmes. The determination sets out minimum wages, working hours, number of leave days and termination rules. The minimum wage allowances are dependent on the National Qualifications Framework (NQF) level under which the learner is registered and the credits earned by the learner. The weekly allowance ranges from R264.28 for a learner registered for NQF level 1 to 2 with 0-120 credits to R1545.17 for a learner registered for NQF level 5 to 8 with 481-600 credits. These figures apply from 1 April 2015 to 31 March 2016. An amendment for the current financial year has not been issued as yet. In the implementation of Learnerships, CATHSSETA ensures that the regulated minimum wages for Learnerships are applied in the sector.

The sub-sectoral specific national strategies and plans are outlined in the table below:

Table 5: Sub-sectoral strategies and plans

Sub-sector	National plans or strategies	Implications for skills planning
Arts, Culture and Heritage	National Policy on South African Living Heritage	The policy stresses the importance of training courses in leadership and management having their fundamentals based on Ubuntu which will in turn be promoted by various stakeholders. CATHSSETA focuses on programmes such as Management Development programmes to assist in this drive to train leaders and managers.
	DAC Strategy 2012/2013 (Mzansi Golden Economy)	DAC and CATHSSETA have identified a need for the provision of a coordinated skills development and training initiative as part of up-skilling local art organisations to host events, as well as training in the development of quality products and services for tourism consumption. The continuous process of creation, production, dissemination, exhibition and consumption of the cultural and creative industries requires education and skills development at each stage of the cycle and in all stages of the education system. The heritage sector requires the development of skills for the conservation and protection of our heritage estates and assets as well as skills to do with the management of cultural heritage tourism. It is therefore imperative for CATHSSETA and DAC to work towards developing the required skills in Heritage Resource management, among other interventions.
	National Heritage and Cultural Tourism Strategy 2012	The Strategy clearly illustrates the significant deficiencies of skills and qualifications available in heritage conservation and management. The strategy therefore calls for skills development and training in heritage and tourism to be matched with the availability of employment opportunities to absorb the skilled labour force. Through the QCT process, CATHSSETA is thus making concerted efforts to ensure the relevance of qualifications that cater for its sub-sectors. These efforts are also aimed at encompassing elements of Tourism to deepen the understanding of the relationship between the Arts, Culture and Heritage and the Tourism sectors.
Conservation	The National Protected Area Expansion Strategy (2008)	This strategy aims to achieve cost-effective protected area expansion to encourage ecological sustainability and increased resilience to climate change. The implications of this for CATHSSETA is a need to focus on capacity building through skills development programmes and initiatives to meet the needs of the sector. CATHSSETA has identified some of the occupational requirements within the Conservation and Biodiversity sectors as occupational shortages and these are therefore prioritised in skill development initiatives.

Sub-sector	National plans or strategies	Implications for skills planning
	National Climate Change Adaptation Strategy	The National Climate Change Response White Paper (RSA 2011) states that the government must, among other things, ensure that a holistic understanding of climate change and related issues is included in all relevant aspects of formal education curricula, so that that all SETAs add climate change to priority skills development programmes in the formal, informal and non-formal sectors of the education and training system and establish incentives for research and training such as bursaries to encourage students and scholars to research and study climate change. The role that CATHSSETA can play is in the development and review of relevant qualifications as well as the funding of post graduate scholars who will conduct research into the sub-sector.
	DEA Strategy	The strategy places significant emphasis on CATHSSETA, which is tasked with skills development for conservation bodies and agencies such as the South African National Biodiversity Institute (SANBI), SANParks, semi-independent provincial agencies and local government, including the Department of Environmental Affairs and provincial departments. These and other entities operate under a new conservation paradigm in which the protection of biodiversity and development planning must be integrated. However, few have been trained in this new paradigm and thus CATHSSETA role is developing training initiatives.
Hospitality	National Development Plan	The plan sets a target of training 30 000 artisans by 2030. This falls directly into CATHSSETA's mandate of Artisan development. To address this need, CATHSSETA together with the Quality Council for Trades and Occupations (QCTO) has completed the review and registration of the chef qualification as a trade. This new qualification is a three year qualification with both a theoretical and practical component. At the end of the 3 years the learner is required to complete a trade test in order to be classified an Artisan.
	Immigrations Act and Regulations	The amendments to the Immigrations Regulations Act of 2002 resulted in new Visa regulations being implemented in 2015. This brought about the repealing of the quota for exceptional skills work permits and the introduction of a category of Critical Skills Work Visa, which assists in attracting critical skills to the country. The Critical Skills Work Visa allows us to attract professionals to the country with critical skills that are likely to advance national interest.
	Sectoral Determination 14: Hospitality	The Sectoral Determination for the Hospitality sector requires the minimum wage offered by employers with 10 or less employees to be R 2 959.35 and for employers with more than 10 employees to be R 3 298.52. For CATHSSETA this

Sub-sector	National plans or strategies	Implications for skills planning
		translates into the need to ensure that funding criteria is in line with the Department of Labour in terms of the regulated minimum wage for the sector.
Gaming and Lotteries	Lotteries Act 32 of 2013	The Lotteries Act regulates lottery activities and provides the basic framework for the management and operation of the national lottery. The priorities for distributing funds include the provision of educational facilities designed to enhance literacy, vocational training and mentoring for skills development that include disabled. All of these are specific areas of focus in the NSDS III.
Sport, Recreation and Fitness	National Sport and Recreation Plan (NSRP)	The overarching focus of the three values of the NSRP is to improve access to and participation in sports as well as to develop talent for the sport and recreation sector. For CATHSSETA this translates into developing training and education initiatives aimed at developing sports and recreation personnel, particularly coaches and administrative and technical officials. The focus also encompasses developing financial, marketing and media skills. This can be achieved through accredited education and training programmes.
	South African Coaching Framework	The focus will be on Recognition of Prior Learning (RPL) of coaches, accreditation support for the National Federations and also on training coach-developers as facilitators, assessors and moderators.
	Sports Tourism Strategy	The aim is to broaden the capacity building initiatives within the sporting industry to encompass elements of tourism so as to deepen the understanding of the sports tourism element of sports development. CATHSSETA will work with its partners such as HEIs to ensure that there are sports tourism qualifications at all levels. CATHSSETA will also develop a database of volunteers as required in the NSRP and ensure that these volunteers are trained for the success of international sports events in South Africa.
Travel and Tourism	National Tourism Sector Strategy	The strategic objectives are organised into three (3) themes, namely, to grow the tourism sector and economy, to enhance visitor experience and to achieve sustainability and governance. Some of the key focus areas within these themes include people development and relevant capacity building. The role of CATHSSETA is therefore to identify training needs and offer training programmes that are aligned to the needs in the sector, with the emphasis on developing and improving skills within the sector.
	National Rural Tourism Strategy	Informed by the National Tourism Sector Strategy and the Domestic Tourism Growth Strategy, this strategy prioritizes

Sub-sector	National plans or strategies	Implications for skills planning
		tourism development in rural economies by supporting enterprise development, skills development and training initiatives in the tourism sector. CATHSSETA, through its partnerships and strategic alignments, offers positive support to rural development initiatives through special projects as well as extending its operational presence across various regions.
	Tourism Act, 2014	The Act regulates the Tourist Guide profession, and acknowledges the value and importance of the tourist guiding sector. It also provides for the registering of tourist guides, thereby recognizing it as a profession with a defined career path. CATHSSETA, together with relevant partners, is responsible for identifying the training needs as well as the certification and registration needs of the Tourist Guides sector.

2.5. Conclusion

This chapter has successfully identified factors that are driving change in the sector such as technology and globalisation and the influence these have on skills demand and supply. Changes in occupational patterns and structures are reflected in the profile of skills now required by employers in the sector. This reveals a need for human resources with increased proficiency in using technology and greater cross-industry skills and knowledge. In addition, employers need a workforce with a more flexible skills base to be able to adapt to competing environments.

The implications of National Plans and Strategies for skills planning in the sector are vast. These include focus on TVET Colleges, a greater emphasis on partnerships with employers, focus on quality training and transformation within the sector.

3. CHAPTER 3: OCCUPATIONAL SHORTAGES AND SKILLS GAPS

3.1. Introduction

This chapter focuses on the occupational shortages and skills gaps as well as the supply of skills within the CATHSSETA sector. The main aim is to establish an understanding of occupation-specific skills mismatches and skills gaps. The chapter comprises of the following three sections:

- Occupational shortages and skills gaps;
- Extent and nature of supply; and
- PIVOTAL list

The methodology employed draws on a combination of both quantitative and qualitative research techniques. The quantitative approach includes the collection and analysis of data submitted by employers through the Mandatory Grant application process, data sourced from the Department of Higher Education and Training as well as data from the CATHSSETA quarterly monitoring reports. Cross sectional analysis has been conducted to establish vacancies and occupations that are difficult to fill, numbers of enrolments and graduations as well as other supply-side information. Qualitative methods employed include focus group sessions and consultative sessions with industry stakeholders. The relevant qualitative findings, where available, have been compared to the quantitative results and the results are presented in the sections that follow.

3.2. Occupational shortages and skills gaps
3.2.1. Hard-to-fill vacancies

Hard-to-fill-vacancies (HTFVs) are defined as occupations that take longer than a year to find a suitably experienced and qualified candidates. Analysis of the MG applications identified the hard-to-fill-vacancies presented in Table 5 below. These are presented by sub-sector and indicate the number identified through the analysis.

Table 6: Hard-to-fill-vacancies (HTFVs) per sub-sector

Sub-sector	Occupation	Number of HTFVs
Conservation	Conservation Scientist	141
	Geohydrologist/Hydrologist	4
	Animal Ecologist	4
	Environmental Practices Inspector	4
	Environmental Scientist/Auditor	3
Gaming and Lotteries	Gaming Operations Compliance Officer	5
Hospitality	Chef	4
	Events Manager	4
	Café (Licensed) or Restaurant Manager	2
	Customer Service Manager	2
	Somatologist	2
	Events Manager	1

Sub-sector	Occupation	Number of HTFVs
Sport, Recreation and Fitness	Retail Manager (General)	1
Tourism and Travel	Tour Guide	10
	Balloonist	1
	Financial Accountant	1
	Programme or Project Manager	1

Source: CATHSSETA SMS 2017

Arts, Culture & Heritage: The sub-sector did not report any HTFV i.e. those that take longer than 12 months to fill. However, the Heritage Consultant occupation has the highest degree of scarcity and generally remains unfilled for a minimum of three months to a year. Employers seek candidates with one to three years' experience and a Bachelor's degree.

Conservation: The Conservation Scientist occupation has the highest number of vacancies due to a lack of suitably qualified candidates. This occupation, together with the Environmental Scientist, was also identified as a HTFV in the Skills Audit (2016). The entry requirements could be impacting the vacancy period, given that employers seek candidates who have a post-graduate qualification and at least six months' experience. The Hydrologist, Animal Ecologist and Environmental Practices Inspector occupations have also been identified as difficult to fill.

Gaming and Lotteries: In this sub-sector, the Gaming Operations Compliance Officer occupation is reported as hard to fill, with a vacancy period of over 18 months. The reason for the vacancy is a lack of experienced candidates as employers require candidates to have between one to three years' experience. In addition, employers require employees to have a Bachelor's degree and skills at the junior to middle management level.

Hospitality: The Chef, Café (Licensed) or Restaurant Manager, and Hotel/Motel Manager occupations have the highest degree of scarcity. These occupations remain unfilled for over 18 months. Lack of suitably experienced candidates is cited as the reason for the Chef and Hotel/Manager vacancies while a lack of suitably qualified people is the reason for the lengthy vacancy period for the Café/Restaurant Manager occupations. The Events Manager, Somatologist, Dietician and Customer Service Manager occupations are also reported to have a serious scarcity. Lack of qualifications is the main reason for the Events Manager and Somatologist vacancies while budgetary constraints play a role in filling the Customer Service Manager vacancies. With the exception of the Dietician occupation, which requires a Bachelor's degree, employers seek candidates who have a certificate or diploma for these occupations and five to eight years' working experience.

Sports, Recreation & Fitness: The Events Manager and Retail Manager (General) occupations have been identified as hard-to-fill occupations. These occupations have a vacancy period of over a year. The reasons the Events Manager and Retail Manager (General) occupations are hard to fill are the lack of candidates with required qualifications, and equity requirements respectively. The Events Manager occupation requires candidates to have a Bachelor's degree, junior to middle management skills and three to five years' experience.

Travel & Tourism: Of the occupations reported as hard to fill, the Tour Guide has the highest degree of scarcity and the lack of required qualifications is cited as the main reason for this. Employers required candidates who have the necessary registration, as well as a variety of

language skills (German, Mandarin or Italian). Rather than the qualification requirement, this could be contributing to the occupation being hard to fill.

The Skills Audit (2016) identified the Inbound Contact Centre Consultant and Outdoor Adventure Guide occupations as hard-to-fill due to a mismatch in the labour market.

3.2.2. Reasons for hard-to-fill vacancies

The previous section detailed reasons vacancies remain unfilled for lengthy periods per sub-sector. The next section, including Figure 10 below, indicates the overall sector's understanding of hard-to-fill occupations.
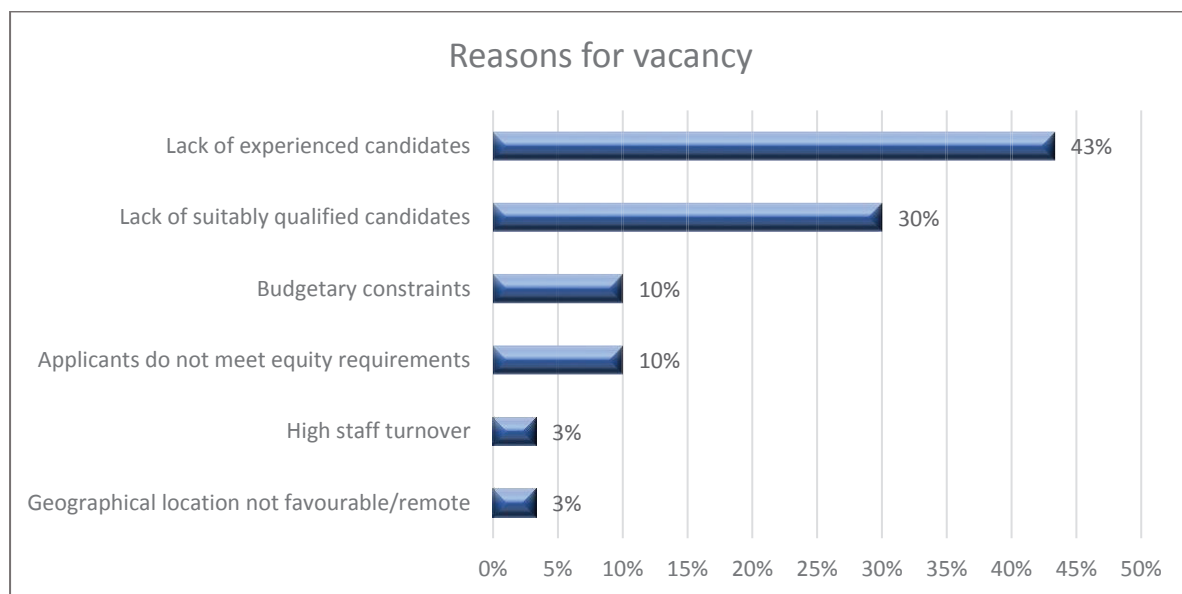
Figure 10: Reasons for vacancy
Source: CATHSSETA SMS 2017

According to employers, the main reason vacancies are difficult to fill is due to a lack of candidates with the required experience (43%). This is the case particularly in the Hospitality, Gaming and Lotteries, and Conservation sub-sectors and, to a lesser extent, in the Sport, Recreation and Fitness sub-sector. In the latter, the lack of suitably qualified candidates is the main reason vacancies are hard-to-fill. In addition, employers in the SRF sub-sector cited equity requirements as the second biggest reason for HTFVs. The sub-sector's continued focus on ensuring equitable representation of previously disadvantaged groups can be seen as contributing to the lengthy vacancy periods.

Overall, it would seem that the minimum requirements set by employers also contribute to vacancies. In most cases, employers seek employees who have skills at junior to middle management level and a minimum of a year's working experience, making it difficult for graduates without work experience to enter the industry. In addition to this, delays in updating curricula to address the needs of industry contribute to the number of hard-to-fill vacancies.

Lack of suitably qualified candidates, reported by 30% of employers, was also found to be prevalent within the Hospitality, Conservation and Travel and Tourism sub-sectors, with most

of the vacancies remaining unfilled for over two years. This could be an indication of a lack of relevant training in the sector or a mismatch between industry expectations and the training offered at learning institutions.

The Labour Market analysis (2016) also highlighted lack of appropriate experienced and lack of qualifications as the top two reasons for HTFVs within the ACH, GL and SRF sub-sectors. Employment conditions and remuneration also came out from this study whereas they were not mentioned by employers submitting MG applications.

3.2.3.   Skills gaps at occupational level

Skills gaps refer to specific key or generic and "top up" skills that an employee requires to carry out job tasks competently. Key or generic skills include cognitive skills (problem solving, learning to learn), language and literacy skills, mathematical skills, ICT skills and skills to do with working in teams.   Occupationally specific "top up" skills are those required for performance within that occupation to fill a "skills gap" that might have arisen as a result of changing technology or the introduction of new forms of technology. The most common skills gaps are indicated for each OFO Major occupation groups in Table 6 below. These are ranked from most to least mentioned.

Table 7: Top 3 most common skills gaps per major occupation group

Major occupations	Top 3 most common skills gaps
Managers	Leadership
	Management
	Financial management
Professionals	Leadership
	Financial management
	Management
Technicians and Associate Professionals	Communication
	Customer care/service
	Financial management
Clerical Support Workers	Customer care/service
	Communication
	Administration skills
Service and Sales Workers	Customer care/service
	Time management
	Financial management
Skilled Agricultural, Forestry, fishery, Craft and related Trades Workers	Customer care/service
	Communication
	Time management
Plant and Machine Operators and Assemblers	Communication
	Literacy and numeracy
	Time management
Elementary occupations	Literacy and numeracy
	Customer care/service
	Communication

Source: CATHSSETA SMS 2017

Based on the Mandatory Grants applications, employees at the Manager and Professionals levels lack leadership, management and financial skills. In the Manager occupational group, employees lack leadership skills which pertains to developing teams through coaching and mentoring. This was sometimes combined with management tasks in which the emphasis was not only on general management but on managing staff as well as day-to-day operations. In respect of financial management skills, employers indicated that employees lack basic financial skills such as budgeting, managing cash flow and making financial decisions. For the rest of the occupational groups, most of the skills gaps appeared in jobs that tend to be customer-centric and/or service oriented. For these groups, it is thus critical to have the communication skills to convey information clearly and effectively, both in writing and verbally, and to have the customer care skills necessary for delivering excellent service. Employees occupying jobs at the Clerical Support level appear to lack basic administrative skills.

A lack of literary and numeracy skills was ranked first and second in the Plant and Machine Operators and Elementary Occupations major groups respectively. This is not surprising given that a large majority of employees in these occupation groups have ABET/Adult Education and Training and NQF 1 and 2 level education, with few having acquired a Matric.

The Skills Audit (2016) identified skills gap such as leadership skills, problem solving and critical thinking, and computer literacy. The findings of the Training Needs Analysis (TNA) indicate that of the 12 soft skills assessed, leadership skills were regarded as critical for occupations at the Managerial level. The study also indicated that both employers and employees rate communication and customer service skills as important for occupations in the Clerical, Services and Elementary occupational groups. These findings thus corroborate with those of the MG data, in that employers highlighted the same areas as lacking and requiring further development. However, due to the bias against soft skills i.e. training is not considered necessary, it is critical that the feasibility of modularising key programmes to address these skills is conducted instead of having generic training.

3.3. Extent and nature of supply

In order to determine the supply of skills within the sector, Higher Education Management Information System (HEMIS) data, publications from DHET, Mandatory Grant data submitted by employers, and the CATHSSETA annual report have been analysed.

3.3.1 Extent of occupational skills supply

The educational profile of employees in the sector is presented per sub-sector in the table which follows:

Table 8: Education profile of employees per sub-sector

Sub-sector	Education level	Employees	Percentage
Arts, Culture and Heritage	AET	116	2%
	NQF Level 1,2	546	12%
	NQF Level 3,4,5,6	3 352	71%
	NQF Level 7,8,9,10	727	15%
	Total	**4 741**	

Sub-sector	Education level	Employees	Percentage
Conservation and Tourism Guiding	AET	3 596	27%
	NQF Level 1,2	3 215	25%
	NQF Level 3,4,5,6	4 710	36%
	NQF Level 7,8,9,10	1 564	12%
	Total	**13 085**	
Gaming and Lotteries	AET	454	1%
	NQF Level 1,2	2 277	7%
	NQF Level 3,4,5,6	26 695	86%
	NQF Level 7,8,9,10	1 628	5%
	Total	**31 054**	
Hospitality	AET	10 292	7%
	NQF Level 1,2	33 389	24%
	NQF Level 3,4,5,6	86 679	63%
	NQF Level 7,8,9,10	7 198	5%
	Total	137 558	
Sport, Recreation and Fitness	AET	260	2%
	NQF Level 1,2	938	6%
	NQF Level 3,4,5,6	12 222	84%
	NQF Level 7,8,9,10	1 056	7%
	Total	**14 476**	
Tourism and Travel Services	AET	222	1%
	NQF Level 1,2	1 073	6%
	NQF Level 3,4,5,6	13 381	81%
	NQF Level 7,8,9,10	1 916	12%
	Total	**16 592**	

Source: CATHSSETA SMS 2017

An analysis of Table 7 indicates the following:

The majority of employees within the sector fall within the middle-level skills band, i.e. NQF levels 3-6. This is followed by employees within the low-level skills band at NQF levels 1-2 in the G&L, Hospitality and SRF sub-sectors. The high occurrence of employees at the middle-level skills category is indicative of the various types of occupations in the sector which are typically in the middle management and professional OFO major groups.

The Hospitality, G&L, T&T and SRF sub-sectors have the highest percentage of employees in the middle-level skills category. The occupations within these sub-sectors are typically in the middle management and clerical support workers OFO major groups. This spread is encouraged by the industry requirement that employees have at least a Matric (for G&L) and a diploma or certificate (for T&T and SRF). Furthermore, competition for vacancies is high in these sub-sectors which often means the candidate with the highest qualification and most appropriate experience is hired, which accounts for the majority of employees having middle level skills and qualifications at NQF levels 3, 4, 5 and 6. The Conservation and HOSP sub-sectors also have a significant percentage of employees at the low level of skills, encompassing both ABET/AET and NQF levels 1 and 2. This is indicative of positions within the Elementary occupations OFO major group, which are characteristic of the sub-sectors.

Artisans within the CATHSSETA sector fall into a multitude of trades. Some of these are the chef, butcher, confectionary baker, tailor, toolmaker and welder trades. However, the only sector-specific trade is that of the chef. An analysis of this occupation is illustrated in Figure 11 below, which analyses the occupation in terms of the race demographic.
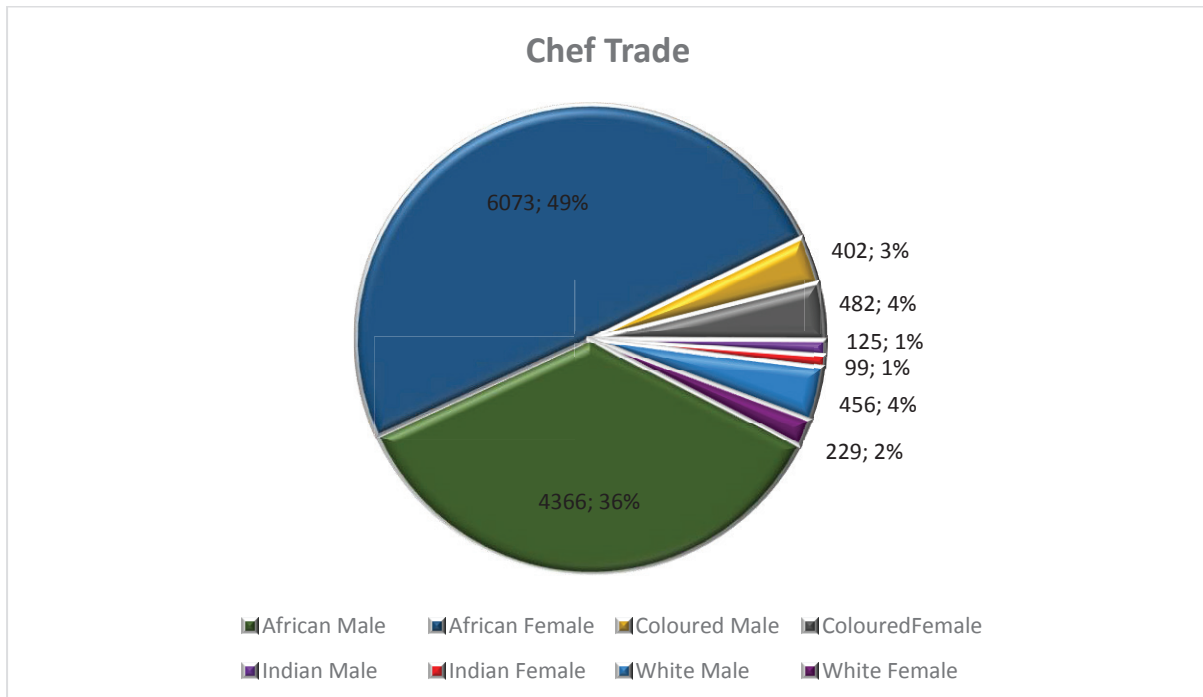
Figure 11: Demographic analysis of the Chef trade
Source: CATHSSETA SMS 2017

As per figure 11, the sector employs a total of 12 232 Chefs. This figure is based on the Mandatory Grant data from employers. The number of chefs has decreased by approximately 15% from 14 367 reported in the 2016 period. A majority of the chefs in the sector are Black African males and females, who make up 85% of the sub-sector.

3.3.2 State of education and training provision

The Higher Education Institutions (HEI) data, sourced from the Department of Higher Education and Training, was analysed for the 2014 and 2015 periods. These figures are based on the headcount of unduplicated student enrolments and graduations according to the second order CESM category of major(s)/area of specialisation and qualification type. The number of enrolments and graduates are presented in Table 8 below.

The Department of Higher Education and Training releases the previous year's data during August of the following year. Thus data for the 2016 academic year will only be available in August 2017.

Table 9: HEI enrolments and graduations per sub-sector per qualification area

Sub-sector	Qualifications	2015		2014	
		Total Enrolment	Total Graduates	Total Enrolment	Total Graduates
Arts, Culture & Heritage	Dance	395	116	401	98
	Design and Applied Arts	3 429	915	3 424	861
	Drama/Theatre Arts	2 074	567	2 085	506
	Film/Video and Photographic Arts	1 063	316	1 072	306
	Fine and Studio Art	3 807	722	3 605	686
	Music	2 959	546	2 572	507
	Visual and Performing Arts, Other	27	8	415	135
Conservation	Botany/Plant Biology	2 100	346	1 961	345
	Zoology/Animal Biology	1 866	347	1 834	334
	Ecology, Evolution, Systematics and Population Biology	1 425	432	1 474	415
Hospitality	Food Science and Technology	1 917	498	1 903	422
	Hospitality Administration/ Management	7 014	1 350	7 393	1 379
	Foods, Nutrition and Related Services	1 266	234	1 767	270
Sport, Recreation & Fitness	Parks, Recreation and Leisure Facilities Management	2 878	654	3 017	592
	Movement and Mind-Body Therapies and Education	139	31	27	4
Travel & Tourism	Entrepreneurial and Small Operations	3 077	567	3 017	476
	Business Administration, Management and Operations	88 925	15 464	84 170	13 081
Total		**124 361**	**23 113**	**120 137**	**20 417**

Source: DHET HEMIS data 2014-2015

Information gathered from the 14 universities and universities of technology that offer hospitality and tourism, suggest that it is important to note that certain qualifications, formally offered only at the higher levels, draw students from more generic lower-level qualifications in which a range of sub-specialisation options include eco-tourism management, outdoor recreation management, indigenous tourism development, events management and destination management. Another very important source of skills for the sector is industry itself. The main methods of training include in-house training and work-shadowing, both of which are extremely practical and job- and work-place specific, and combine training with the work-experience considered so important by the employer. It is

difficult to determine with accuracy the supply of skills needed by the labour market that are necessary to support a growing and transformative tourism and hospitality sector. The supplier-driven nature of training within the sector reinforces this misalignment between skills demand and supply. The general challenges associated with skills development among time-constrained owner-operator enterprises must be seen to apply to the sector as a whole, due to its overwhelming SMME profile.

Training capacity in the SRF sub-sector is mainly provided by universities and universities of technology. These HEIs offer a variety of degrees and diplomas that are relevant to the SRF sub-sector but, it must be noted, there are no programmes in the TVET Colleges that are relevant to this sub-sector. Besides formal educational institutions accredited by CHE and UMALUSI, CATHSSETA has accredited private providers to offer SRF programmes. And yet the need to increase the number of these providers remains, as there are very few or no accredited training providers in certain provinces. In order to counter this deficit, the capacity of the public TVET system will have to be developed to offer a full spectrum of CATHSSETA qualifications.

The number of learners in the CATHSSETA sectors has been increasing in the recent years however, graduates in the sector are generally viewed as not meeting employer expectations. The sector perception is that there is a mismatch between the skills and the academic knowledge with which graduates exit the higher education institutions and the required competencies to 'get the job done'. This was particularly noted in the Tourism sub-sector, where stakeholders reported that the course content, particularly from TVET colleges, is outdated and in need of revision. In addition, they were of the view there is a lack of clear learning pathways and articulation. Findings from the Skills Audit (2016) also indicated that employers prefer candidates with 2 – 3 years' experience, followed by matriculants and then graduates. This could be an indication that, given the mismatch between the qualifications graduates have and industry requirements, employers perceive graduates as being of little benefit to the workforce and so that there is very little difference between the graduate's capabilities upon entering the labour market and that of a candidate with a Matric. This emphasises the need for more employers to participate in skills development through internships and work-integrated learning programs to enable graduates to gain the level of skills required in industry. The need for intensifying internships in particular is supported by findings from the Impact Assessment (2016) which indicated that, of the surveyed learners, only 50% secured permanent or temporary employment.

The Tourism Skills Audit (2016) findings also indicated that the employability of graduates was negatively impacted by a poor work ethic, a lack of numeracy and literacy skills, and an oversupply of certain skills which the industry could not absorb.

A graduate tracer study (conducted as part of the Labour Market study in 2016) found that, although there is a mismatch between industry needs and academic qualifications, most graduates of the qualifications reviewed secured employment. Of the sampled graduates in the Arts, Culture and Heritage sub-sector, 85% were employed. Furthermore, 82% were employed in the relevant industry. However, employment tended to be on a free-lance basis due to the nature of the jobs in this sub-sector. The only full-time employment opportunities

in this sector are for arts administrators. The same was observed in the Gaming and Lotteries sub-sector, with over 60% of graduates securing employment, and 82% working in the gaming sector. The findings from the Sports, Fitness and Recreation sub-sector indicated that 48% of sampled graduates secured employment in the industry related to their qualification. This sub-sector is dominated by volunteers and graduates thus compete for available job opportunities. Though the labour market is recognizing that sport and recreation can be a career path, the prospects for young graduates remain grim. This is due to graduates' lack of experience, sport organizations that do not recognize the potential of young graduates as opposed to older people with industry experience, and a general lack of opportunities for professional advancement.

The report on Statistics on Post School Education and Training in South Africa: 2015, released by DHET in 2017, did not include data on the number of TVET College learners who registered and completed qualifications in the 2015 period. This data will be included in the next update of the SSP upon publication.

3.3.3 Supply problems experienced by firms

Supply of tourism-specific skills into the South African tourism sector takes place both formally and informally, and through a range of different agents. These agents include qualification, curriculum and training providers which take the form of the TVET Colleges, Higher Education Institutions (HEIs), private training providers and industry training. The available information regarding the demand for skills in the tourism sector indicates that the range of skills required is not confined to those generally regarded as 'tourism, hospitality and gaming' skills. A larger portion of the demand lies outside such a classification and includes: the more generic 'skills' that underpin a service ethic; the skills required to manage individual tourism products and service enterprises, as well as the departments and agencies supporting such enterprises; the skills required to communicate effectively both verbally and non-verbally across cultural and language divides; and various entrepreneurial and technical skills, such as cooking.

Within the Conservation sub-sector, there is a scarcity of qualified graduates at NQF levels 7, 8, 9 and 10, and vacancies remain unfilled due to this lack of suitably qualified graduates. Training provision in this sub sector is mostly private-provider driven. There are challenges across all levels of education to do with this sector, from foundational learning through to preparing for access to higher learning, particularly in terms of biodiversity in the workplace. The current measures that are in place are therefore proving to be inadequate and more needs to be done to improve the current situation.

3.4. PIVOTAL LIST

CATHSSETA utilises a combination of data and labour market signals to monitor and determine the occupations that are difficult to fill. These inform the priority skills, the occupations of which are listed in the PIVOTAL list in Table 10 below. Some of the data and signals used and observed are:

- All enterprises submitting Mandatory Grant applications (comprised of Planned Training Interventions and Reported training) completed a section on HTFVs in their sub-sectors;

- The number of vacancies and degree of scarcity of HTFVs;
- The pool of unemployed skilled people.

Thus the factors used to determine the occupational shortages and skills gaps include the following:
- Data collected from Mandatory Grant application submissions;
- Input from relevant sector committees and focus group sessions; and
- Surveys conducted nationally.

All data and input are in the form of the 6-digit OFO. Using the following formula; occupational shortages are identified as a function of 2 variables, namely, the total number of vacancies identified and degree of scarcity.

$$f(x;y)$$

where x = total number of vacancies identified and y = degree of scarcity

Following this, a preliminary list is generated, categorised and mapped using the six digit OFO, NQF level, and interventions to address the occupation. Occupations that are to be addressed by PIVOTAL programmes are listed in the PIVOTAL list. This preliminary list is further subject to stakeholder consultations, prior to the generation of a final list of occupational shortages for the sector. The analysis and interpretation of these consolidated inputs are then augmented with research conducted by CATHSSETA and its partners. The list provided in the table, which follows, provides the top 10 occupations in the PIVOTAL list, and is not ranked in any particular order of priority.

Occupations identified as occupational shortages form the basis on which priority skills are recognised. The identified occupational shortages are a function of two determinants: the number of vacancies in the sector and the degree of scarcity of the identified vacancies. The quantities needed are calculated through time-series forecasts that use the time-ordered sequence of historical observations on a variable to develop a model for predicting future values of that variable. Thus a linear trend forecast where the generating process is assumed to be the linear model is used.

Utilising the triangulation methodology for corroborating findings and as a test of validity, the identification of occupations as occupational shortages is then subjected to consultation with sector stakeholders. Occupations identified as scarce in the previous five years are also considered prior to generating the final list of occupational shortages.

The interventions required to address the occupations listed on the PIVOTAL list are informed by input from consultative sessions with employers, joint working committees and regional managers. Further analysis, in terms of availability of qualifications or relevant training programmes, is considered prior to finalisation of the listed interventions. In compliance with the SETA Grant Regulations, 80% of the CATHSSETA discretionary grants available are allocated to PIVOTAL programmes that address occupational shortages and skills gaps in the sector. It is envisaged that, through the identified interventions, the occupations listed will be given funding in order to address the particular area of study and training that requires

development.   The envisioned outcomes from the identified interventions is improved employability of learners and upskilling of employed and unemployed people to occupy the occupations listed on the PIVOTAL list.

3.4.1   Top 10 PIVOTAL List for 2018/19

Table 10: Top 10 occupations on the PIVOTAL List

SUB-SECTOR	OFO MAJOR GROUP	OCCUPATION CODE	OCCUPATION	SPECIALISATION/ ALTERNATIVE TITLE	INTERVENTION PLANNED BY THE SETA	NQF LEVEL	QUANTITY TO BE SUPPORTED BY SETA
Arts, Culture & Heritage	PROFESSIONALS	2015-263206	Heritage Consultant	N/A	Learnerships: National Certificate Heritage Resource Management	5	5
Conservation	PROFESSIONALS	2015-213301	Conservation Scientist	Conservation Officer	Bursaries and Internships Environment/biodiversity and conservation degrees	7	15
		2015-213307	Park Ranger	Wildlife Conservationist	Learnership: NC Nature Conservation	2	10
	PROFESSIONALS				Learnership: National Certificate Natural Resource Guardianship Terrestrial	5	
Gaming & Lotteries	CLERICAL SUPPORT WORKERS	2015-421202	Gaming Worker	Gaming Operator	Learnership: National Certificate Gaming Operations	3	60
Hospitality	MANAGERS	2015-141201	Café (Licensed) or Restaurant Manager	Food and Beverage Manager	Bursary and Learnership: Food and Beverage studies/services	6	44
	TECHNICIANS AND ASSOCIATE PROFESSIONALS	2015-343401	Chef	Chef de Partie	Learnership: National Certificate Professional Cookery	4	358
Sport, Recreation & Fitness	MANAGERS	2015-226905	Biokineticist	Human Movement Specialist	Bursary: Human Movement and Sport Science	7	15
	TECHNICIANS AND ASSOCIATE PROFESSIONALS	2015-342301	Fitness Instructor	Fitness Consultant/Trainer/ Instructor	Skills Programme: Fitness Instructor	4	40
					Learnership: NC: Fitness	5	
					Bursary: ND: Fitness		
Travel & Tourism	CLERICAL SUPPORT WORKERS	2015-422102	Travel Consultant	Travel Agent	Learnership: National Certificate General Travel	5	55
	SERVICE AND SALES WORKERS	2015-511302	Tour Guide	Tour Leader	Learnerships: Tourism (Guiding); WIL: Tourism	4	10

3.5. Conclusion

This chapter focused on understanding occupation-specific skills-mismatches identified by employers in the sector. In general, the large majority of employment in the sector falls within the low to middle level range of skills, which is typical of the services industry. The supply of skills, however, necessarily takes places at all three levels: low, middle and high. The skills mismatch occurs as a result of the disjuncture between supply and demand. The issue of skills gaps in the sector has been presented for each of the major occupational groups, the findings of which are corroborated by the TNA. A PIVOTAL list identifying the top occupations that will be addressed is presented in table 9.

4. CHAPTER 4: SECTOR PARTNERSHIPS

4.1 Introduction

This chapter focuses on existing SETA partnerships with the aim of establishing the state they are in and identifying the benefits associated with the partnerships. The secondary aim is to discuss new potential partnerships the SETA may form and how these may serve the SETA.

4.2 Existing partnerships

The SETA existing partnerships are arranged into four groups; these are reflected in the sections below into which this chapter has been divided.

4.2.1 State of existing partnerships

This section of the chapter outlines the state of existing partnerships with educational providers and entities operating within the CATHSSETA sub-sectors:

Public providers:

Technical Vocational Education and Training (TVET) Colleges: There are 43 TVET Colleges across 55 campuses offering the National Certificate Vocational (NCV) in Hospitality and Tourism at Levels 2, 3 and 4. Some of the TVET Colleges have also obtained programme approval from CATHSSETA to offer CATHSSETA accredited NQF aligned qualifications. CATHSSETA has signed an MoU with each of the TVET Colleges to offer both bursaries and Learnerships, encouraging experiential learning as well as participating in the review of the NCV Hospitality and Tourism qualifications. The quality of training provided by the public providers is generally of a high standard. However, some public providers do face facility challenges, especially those of the TVET Colleges which are not given a sufficient budget with which to upgrade their training facilities.

CATHSSETA has partnered with five TVET colleges in order to establish regional offices in order to become more accessible to stakeholders in the rural areas. In the Free State, the regional offices are situated at Motheo TVET, which will also service the Northern Cape. Offices in the Eastern Cape, Western Cape, and KwaZulu-Natal are situated in the premises of Lovedale, Northlink and eThekwini TVET colleges respectively. Offices in Limpopo are at the Capricorn TVET and these will also service the Mpumalanga province.

In the last financial year, CATHSSETA entered into an agreement with approximately ten TVET colleges to license the Customer Care, Assistant Chef, and Sport Coaching programmes. CATHSSETA also has existing partnerships with the Majuba, eSayidi, uMgungundlovu and uMfolozi TVET colleges to license the NQF 5 level Coaching Science programme.

CATHSSETA has partnered with the King Hintsa and the King Sabata Dalindyebo TVET Colleges, providing a working facility for the training of chefs and contributing funding for the implementation of various learning programmes such as Learnerships, Skills, Work Integrated Learning and Internships. The partnership will also include lecturer development.

Higher Education Institutions (HEI) and Universities of Technology (UoT): CATHSSETA has partnered with HEIs in terms of the provision of post graduate, Masters and PhD bursaries in

order to promote research within the sector. CATHSSETA funds the bursaries, which cover the cost of tuition, books and accommodation. CATHSSETA has supported a number of learners, with 13 students (4 Masters and 9 PhD) currently pursuing their studies. The areas in which research is currently being undertaken by these bursary recipients include skills supply and demand, career pathways, sector information, career guidance, transformation imperatives, labour market, and experiential learning.

Employers: As required by Goal 2 of the SETA's Strategic Plan and Annual Performance Plan, CATHSSETA forms partnerships with employers that address issues related to skills development to ensure that employees are capacitated to meet skills demands. A significant partnership comprised of several employers (Divine Inspiration Trading, Ukweza Holdings, Fancourt t/a Plattner Golf, Shamwari Hospitality and North West Parks & Tourism Board) provided for the training of 118 Chefs, one of the sector's skills in high demand.

Other SETAs: Partnerships with other SETAs have been successfully concluded, such as the ETDP SETA for qualifications in facilitator, assessor and moderator training, and that with AgriSeta for qualifications in Horticulture. Further partnerships are being explored.

Public entities:
Arts, Culture and Heritage: The Seta has entered into partnerships with the North West Department of Sports, Arts and Culture to train 50 employees in FETC: Heritage Resource Management.
Sports, Recreation & Fitness: The Seta has entered into partnership with the Department of Public Works to train 1 037 learners in the Expanded Public Works Programme (EPWP).
Travel & Tourism: The Seta currently has a partnership with the National Department of Tourism which focuses on the National Tourism Careers Expo (NTCE), collaborating on a Skills Audit and a Service Excellence Training Programme. The NTCE flagship programme has been significant in terms of profiling Tourism and its value chain products as employers of choice. In the 2016/17 financial year, over 5 000 learners attended the expo.

As part of its partnership with the EPWP, CATHSSETA will be training 386 learners in the Culture Site Guide, 16 learners in the Cleaner and 128 in the Cook Convenience Foods programmes.

CATHSSETA will also be partnering with uMgungundlovu Municipality in KwaZulu-Natal. The partnership with this municipality aims to provide residents with learning opportunities and workplace exposure. Thus, CATHSSETA will provide funding for internships of 18 unemployed learners from uMgungundlovu Municipality.

4.2.2 Successful partnerships
Partnerships that have resulted in producing successful outcomes have been seen in the following areas:

Training provision: the following training, which occurred through partnerships with various stakeholders, has been successfully completed –

o The partnership with Ezemvelo KZN Wildlife and provided training addressing Customer Care for 623 employees at NQF level 4 and 20 employees at NQF level 5.
o The partnership with the National Arts Festival resulted in most of the 20 unemployed learners who completed the Music Industry Sound Technology Skills Programme being employed in full-time positions.
o Fifty employed learners were trained towards a qualification in Sports Administration in partnership with Sports and Recreation South Africa (SRSA). About 339 were trained in partnership with the South African Sports Confederation and Olympic Committee (SASCOC) in Facilitator, Assessor and Moderator courses. These learners successfully completed the training.

Post Graduate bursaries: Since the inception of the NSDS III, CATHSSETA has entered into partnerships with HEIs, specifically to provide bursaries to learners to pursue post graduate studies in the sector, with the intention of creating new knowledge and developing academic expertise in the sector. Of these partnerships, the one with Rhodes University has had a number of successes: a number of Masters and PhD learners have produced research contributing to improved sector intelligence. Thus far, 23 recipients of bursaries (17 at Masters level and 6 at PhD level) have completed their studies.

National Department of Tourism: CATHSSETA partnered with the National Department of Tourism in undertaking a Skills Audit as part of the review of the Tourism Human Resources Development strategy. The skills audit was completed in 2016 and the findings have been incorporated into this SSP.

The partnership on the Women Executive Management Training Programme will see the first intake of learners completing the programme in June and graduating in August 2017. The next intake of learners will start the programme in the latter part of this year.

Qualification Review: During the 2015/16 financial year, a total of 4 qualifications were reviewed/developed. These qualifications/part-qualifications, namely, Chef, Cook, Kitchen Hand and Food Handler, have been realigned and scoped to industry expectations to ensure that TVET college graduates may be absorbed into the labour market. In the past financial year, CATHSSETA reveiwed five qualifications (Food Beverage services, Fast Food, Gaming Operations and Nature Conservation at level 4 and level 5), and 19 part-qualifications.

4.2.3 Problems experienced with partnerships

The main challenge the SETA has faced with promoting research at post graduate level is the inability of students to keep to approved research programmes. As a result, the delivery of findings to the SETA is delayed which limits the usefulness of findings, given the need for recent, up to date information.

The partnerships that have been entered into for the development and review of qualifications have also presented certain challenges. Due to the voluntary nature of

participation, and setting aside time for assigned tasks, travel and logistics as well as delays in the signing of contracts, the finalisation of qualifications poses a challenge. Partnerships with public entities are unique. Certain public entities are often reluctant to fund projects and expect the SETA to fund the project in its entirety. The roll out of projects is monitored only by the SETA and the appointed training provider and further involvement from the public entity's side, in terms of exercising oversight, is limited and relies heavily on the Training Provider. This is indicative of problems due to lack of role clarification and communication. The challenge the SETA faced with TVET colleges is the lack of infrastructure geared towards responding to SETA requirements, for example, a lack of capacity enabling the preparation of relevant documents for programme approval. Another challenge encountered during the implementation of the programme was the delay in the recruitment of learners.

4.2.4 Strengthening of partnerships

In order to strengthen partnerships, it is imperative that the Seta takes better care of current partnerships, that there are more focussed engagements, and that there is a clear determination of roles and responsibilities.

With the challenges faced with research provided by post-graduate learners in mind, the SETA has increased its capacity to address its research agenda by commissioning research projects, which also ensures timely delivery of research findings. In addition, CATHSSETA will be establishing a Research Chair to strengthen and promote research into the sector.

The SETA has also provided support to train the staff at TVET colleges in order to enhance capacity. Since 2015 to date, over 50 TVET lecturers spread across the Free State, Mpumalanga, KwaZulu-Natal, Limpopo and North West provinces have benefited from initiatives such as the Vocational Education Orientation Programme (VEOP). During the 2016/17 period additional offices were established at TVET colleges in 5 provinces to foster easy accessibility and thus enable close communication.

To address the challenge of learner recruitment, the SETA has revised the application window period for Discretionary Grants such that there is sufficient time to recruit learners before the start academic year.

4.3   New partnerships

The SETA is looking at forming partnerships with the following entities:

Public entities:

The SETA is exploring a partnership with the KwaZulu-Natal Department of Arts and Culture. This partnership will focus on establishing an Arts and Culture Academy as well as a National Higher Education Institute for Physical Education (NHEIPE) in KZN. The aim of the Arts and Culture Academy is to develop indigenous arts and culture forms, particularly in marginalised communities. The NHEIPE initiative aims to contribute to the coordination of Physical Education teacher training and will be piloted in four colleges, namely, uMgungundlovu, uMfolozi, Esayidi and Majuba TVETs, in which the Sport Coaching programme will be implemented.

A partnership with SASCOC and industry players has been suggested so as to review the sport coaching qualification.

CATHSSETA, with other key strategic partners such as the NDT, Umalusi and TVET colleges, will partner in the implementation of the revised Tourism Human Resources Development Strategy.

Various stakeholders:
Partnerships with universities, TVET colleges and sector employers are currently being explored. The aim of these would be to improve stakeholder participation in sector skills development activities. The partnerships will enable CATHSSETA and these stakeholders to collaborate on areas of common interest.

CATHSSETA is also looking at partnerships with various stakeholders to provide career guidance. The focus of the partnerships will be on providing learners with information tools that will assist them in making informed career decisions.

As part of the CATHSSETA strategic projects, priority sector events have been identified and the following have been planned: National Environmental Skills Summit in partnership with the Lewis foundation, Sports Conference in partnership with SASCOC, the National Tourism Careers Expo in partnership with the NDT, Free State Department of Economic, Small Business Development, Tourism and Environmental Affairs, the Standard Bank Joy of Jazz and the National Arts Festival.

The SETA is also looking at possible partnerships with several organisations to address various skills interventions. These organisations include Midlands District Academy of Sport, SALGA, SAFA, Northern Cape Department of Sports, Arts and Culture, and the North West Parks and Tourism Board.

4.4 Conclusion

This chapter has outlined the existing partnerships that the SETA has and has detailed the nature of these partnerships. In order to deliver on the provision of learning programmes in an effective manner, CATHSSETA has partnered with employers, HEIs, TVETs, public entities and other SETAs. The successful partnership models, specifically those that have resulted in the review of sector qualifications, are being replicated for the current year. Further collaborative measures are required in order for qualification development, the implementation of inter-SETA qualifications, the implementation of learning programmes, the placement of learners in internships and capacitating the TVET sector.

5. CHAPTER 5: SKILLS PRIORITY ACTIONS

5.1 Introduction

This chapter consolidates and presents the findings from previous chapters and reflects on priority actions for the CATHSSETA sector. The information and analyses from previous chapters have been reviewed and culminate in recommended actions that are realistic, consistent and achievable. This chapter provides a set of priority actions but is not a detailed strategic or operational plan. Consideration of national strategies and plans has also been taken into account to ensure alignment with government's priorities.

5.2 Findings from previous chapters

The key findings from previous chapters have been summarised in the following table.

Table 11: Key findings

Chapter	Key findings
Chapter 1	- Across the value chain, the Tourism sector contributed R402.2 billion and supported over 1.5 million jobs in 2016. - The Hospitality sub-sector employs the largest workforce in the sector. - The Northern Cape province employs the least number of people in the sector. - The distribution of employees and employers is highest in the Gauteng, Western Cape and KwaZulu-Natal provinces. - The number of female employees in Manager occupation group positions has increased by 19%, while males still dominate the Professional occupation group.
Chapter 2	Change drivers - There has been an increased adoption of technology across the sector e.g. use of internet to purchase services, social media, mobile Apps and such. - Technology has resulted in a skills-biased technological change. The implication is that functional and technical skills will need to be accompanied by technology skills. - Social networking, marketing, e-commerce and digital marketing has become increasingly more mainstream in its use to attract and retain customers. - Globalisation has brought about a more "sophisticated tourism market". - As a result of changes in the sector, the demand for higher quality products and services is on the rise. This requires the skills base to meet the changing demand. - Fast-changing market conditions make it necessary for employers to remain competitive. - Tourism sector, the impact of which may be seen across the entire value chain. - An increase in human resources that are proficient in the use of technology is required. - Employers need more flexible skills base which is able to adapt to competing environments. - The key skills actions emanating from the above translate to keeping the qualifications and skills set of learners and educators up to date so as to meet the technological advancements in the sector.
Chapter 3	Occupational shortages and skills gaps - Vacancies are difficult to fill due to a lack of experience and suitably qualified candidates - Skills gaps are reflective of the nature of jobs with communication, leadership and management skills lacking at the Manager and Professional occupation groups

Chapter	Key findings
	Supply of skills • The majority of employees are in the middle level skills band, between NQF levels 3-6. • Enrolment and graduation rates of sector specific qualifications at HEIs increased by 3% and 12% respectively in 2015 • A total of 12 232 artisans work as chefs in the sector, a 15% decrease as compared to the 2015 period. Skills gaps • Graduates in the sector are generally viewed as not meeting employer expectations in terms of skills requirements. • The sector perceives there to be a skills mismatch between graduates and job requirements. • In order to bridge the skills mismatch between graduates and job requirements, the SETA needs to form strategic partnerships with industry to ensure industry requirements are aligned with qualifications and providers are kept informed of these requirements.
Chapter 4	• Partnerships with employers, HEIs, TVETs, public entities and other SETAs are imperative for learning programmes to be successfully delivered. • Successful partnership models, which may be replicated, include the review of qualifications, research partnerships and career guidance events that inform existing and potential entrants to the sector of available career opportunities and paths. • Further collaborative measures are required in order for qualification development, implementation of inter-SETA qualifications, implementation of learning programmes, placement of learners in internships and capacitating the TVET sector.

5.3 Skills priorities and actions

The key findings from the previous chapters and common feedback from stakeholder engagements, the labour market and skills audit studies have culminated in the following recommended actions:

Qualification review:

Although qualifications offered at both TVET Colleges and HEIs are deemed relevant to some of the sub-sectors, the general feedback from employers indicates that there is a need to review them, particularly within the Travel and Tourism sub-sector. CATHSSETA, in partnership with UMALUSI and NDT, have completed the review of the NCV qualification for Hospitality and Tourism and the review task team has commenced the actual revision of the curriculum. Education and training systems in the Tourism and Hospitality sub-sectors require the alignment of the curriculum with the needs of the industry. Industry feedback to CATHSSETA has been that graduates from higher education institutions are largely unable to transition smoothly into the workplace, which has resulted in an increase in the number of employers in the sector providing their own certificate courses that they feel cater to the needs of their respective businesses. The following focus areas are avenues through which education and training may be able to align with the needs of the industry:

o Academic Advisory Boards of industry representation;
o Real World Learning models (such as the Cornell Hotel school model)

   ○ Active learning methods (such as Problem Based Learning);
   ○ Group Work (communication skills)

These priorities will be addressed through the review of legacy qualifications falling within the scope of the CATHSSETA sector.

Training provision:
There is a general lack of sufficient training providers in certain provinces within the ACH and SRF sub-sectors. The most optimal solution to this issue would be the development of the capacity of TVET Colleges to offer accredited courses relevant to the sector. The provision of training for Conservation qualifications happens at HEI level i.e. there is no offering at TVET College level. TVET Colleges need to be capacitated to offer programmes relevant to the sub-sector as they act as a bridge and are affordable for those who want to further their studies but cannot afford to attend universities or UoTs.

In order to address this, CATHSSETA will be monitoring the compliance of accredited training providers and ensuring that accreditation applications are processed timeously. Licence agreements with various TVET colleges have been signed with the aim of increasing the availability of training provision in the sector.

Analysis of skills needs:
A full skills audit of the Tourism and related sub-sectors has been completed. This study focussed largely on the Travel and Tourism and Hospitality sub-sectors and on the related sub-sectors i.e. the Arts, Culture and Heritage, Conservation and Gaming and Lotteries sub-sectors. The findings of the study indicate that leadership and financial management skills are some of the skills critical for occupations in the Manager and Professional groups while customer care and communication skills are critical for occupations in the Clerical, Services and Sales, and Elementary Workers groups. Computer literacy was identified as critical for Clerical Support Workers.

There is a lack of recent, comprehensive research and statistics on some of our sub-sectors and concerted efforts are underway to remedy this. Continuous research efforts are thus necessary in order for the SETA to have sufficient intelligence on all its sub-sectors to inform the skills planning required, which should then enhance the data and information available on the sector. CATHSSETA is looking at appointing a Research Chair to assist in addressing this gap, thereby improving research output.

Workplace-based learning and experiential learning:
Workplace-based learning programmes such as Internships and Work Integrated Learning (WIL) need to be intensified and properly structured to ensure that new entrants into the labour market are prepared and are able to have a competitive advantage. This takes place through PIVOTAL programmes like Learnerships, Internships and WIL. Our research has shown that these programmes need to improve mentorship and coaching provided to learners. Bringing in industry specialists has also been identified as one of the factors that could play an important role in preparing learners for the labour market by ensuring that training done is relevant to the industry. CATHSSETA is exploring ways to strengthen

mentoring and coaching offered during work readiness programmes such as evaluating the training provided to mentors and coaches.

TVET capacity building:
Training providers and lecturers at TVET Colleges need to be exposed to workplace experience in order to stay current in the classroom and thereby provide better quality training to students. In order to intensify efforts towards capacity building, CATHSSETA has and will continue training TVET lecturers on ETD programmes, licence CATHSSETA programmes to the colleges and train support staff to provide skills development training to lecturers.

Increased partnerships:
- o Partnerships between the education sector and employers facilitated by CATHSSETA are critical to improving the quality of education in the sector. Education and training systems should work more closely with government, industry associations and employers in the sector in order to better understand the skills demanded by the sub-sectors and establish in-house training strategies that would assist graduates in gaining first-hand experience.
- o The development of a Coaching Framework in partnership with SASCOC, to address the issue of RPL of coaches, has been concluded. This ensures that coaches with the relevant experience and skills, but who lack formal qualifications, are provided with an opportunity to gain recognition in the form of a formal qualification.
- o The partnerships that CATHSSETA has established with various HEIs has led to an increased number of learners enrolled in higher qualifications, including post-graduate students at Masters and PhD levels.
- o Further partnership efforts include partnerships for career guidance events, and partnerships with TVET colleges, employers and HEIs to provide skills development support to learners.

Transformation in the sector:
One of the most consistent findings is the need for transformation in the sector at higher occupational levels, in terms of both the promotion of female employees and the support of black skills development. In order to change the demographic profile of managers and professionals in the sector, the continued development of relevant skills is required to improve movement through the pipeline. While there have been marginal gains with regards to transformation, this continues to be a key focus for the overall transformation of the sector. In line with the NSDS III imperatives, consideration of such objectives are key to the allocation of the CATHSSETA Discretionary Grant funding allocations.

5.4 Measures to support National strategies and plans

The impetus to support National strategies and plans is embedded in the CATHSSETA strategy and the six chamber (sub-sector) strategies. These are implemented in the following manner:
- The Setahas formulated the heritage sub-sector forum to find collective ways of addressing issues as identified in the National Policy on South African Living Heritage as well as the National Heritage and Cultural Tourism Strategy.
- Within the Hospitality sub-sector, the review of the chef qualification has been concluded in line with the National Development Plan vision for 2030 for the chef occupation.

- Considerable investment has been made in support of the National Sport and Recreation Plan and the South African Coaches Framework: for example, in order to lay a firm foundation for widening access to increased participation levels and enhance sporting excellence, capacity has to be stepped up. The following measures have been initiated:
  - Accreditation support – 11 National Federations are in the process of getting their accreditation status as training providers.
  - Education and development of coaches through the training of coach developers who will provide education and support to coaches – training has taken place for 379 facilitators, assessors (including RPL assessors) and moderators. Likewise, this will enable the implementation of RPL in support of fast-tracking the conferring of coaches' skills programmes and qualifications across all sporting codes within South Africa.
- CATHSSETA has prioritised a number of interventions to support. The National Protected Area Expansion Strategy (2008). Partly, the interventions that will be implemented include bursaries, learnerships and skills programmes as programmes that will assist in training on occupational shortages and skills gaps.

5.5 Conclusion

The CATHSSETA sector, with its varying sub-sectors, has been deemed a crucial driver of the South African economy. As such, investment in human capital development (HCD) knowledge and skills has great economic value. The impact of education and training on company performance and the economic sector as a whole is an important issue because of the large amount invested. Whilst CATHSSETA has been in operation for over 10 years, it is only in the last three years that some significant strides have been recorded. No impact studies have yet been done to establish the extent of progress achieved. At this stage, it can be noted that one single stand-out achievement has been getting employers in the sector involved in real training other than in-house non-accredited training. A large number of sector employers are beginning to realize that the effects of education and skills on productivity and innovations are generally positive and significant.

6. BIBLIOGRAPHY

Department of Environmental Affairs. (2011). Environment Impact Assessment and Management Strategy. Available from www.environment.gov.za.

Department of Higher Education and Training. (2010). Government Gazette 11 November 2010 No. 33756.

Department of Higher Education and Training. (2011). National Skills Development Strategy III (Brochure). Pretoria: Department of Higher Education and Training.

Department of Higher Education and Training. (2013). White Paper for Post-school Education and Training: Building an Expanded, Effective and Integrated Post School System. Pretoria: Department of Higher Education and Training.

Department of Higher Education and Training. (2015). Guidelines: Organising Framework for Occupations 2015. Pretoria

Department of Higher Education and Training. (2014). Statistics on Post-school Education and Training in South Africa: 2014. Pretoria: DHET

Department of Higher Education and Training. (2015). Statistics on Post-school Education and Training in South Africa: 2015. Pretoria: DHET

Economic Development Department. (2011). New Growth Path: Accord 1: National Skills Accord. Pretoria: Economic Development department.

National Department of Tourism. (2011). National Tourism Sector Strategy. (Brochure). Pretoria: National Department of Tourism.

National Planning Commission (2012). National Development Plan: Vision 2030. Pretoria

National Gambling Board. (2015). Annual Report 2015. Centurion: National Gambling Board.

PricewaterhouseCoopers. (2014). Entertainment and Media Outlook 2014 – 2018. 5th Annual Edition. Johannesburg: PricewaterhouseCoopers.

PricewaterhouseCoopers. (2014). Hospitality Outlook 2014-2018, 4th Annual Edition. (Report) Johannesburg: PricewaterhouseCoopers.

PricewaterhouseCoopers. (2016). Hotel Outlook 2016-2020, 6th Annual Edition. (Report) Johannesburg: PricewaterhouseCoopers.

PricewaterhouseCoopers. (2017). Gambling Outlook 2016-2020, 5th Annual Edition. (Report) Johannesburg: PricewaterhouseCoopers.

South African Tourism. (2016). *Annual Tourism Report. (Brochure).* Johannesburg: South African Tourism- Strategic Research Unit.

World Travel and Tourism Council. (2016). Travel and Tourism Economic Impact 2016, South Africa (report).

ANNEXURE 1: OCCUPATIONS IN HIGH DEMAND

SUB-SECTOR	OFO MAJOR GROUP	OFO CODE	OCCUPATION	INTERVENTION PLANNED BY THE SETA	NQF LEVEL	NQF LEVEL ALIGNED Y/N	QUANTITY NEEDED	QUANTITY TO BE SUPPORTED BY SETA	0-100	101-1000	1001 & ABOVE
	MANAGERS	2015-112101	Director (Organisation)	Bursary: Business Administration	7	Y	40	40	x		
				Bursary: Management Development programme							
	MANAGERS	2015-134903	Small Business Manager	Bursary: Management Development programme	6	Y	100	100	x		
	CLERICAL SUPPORT WORKERS	2015-441903	Program or Project Administrators	Workplace (SIPS)	6	Y	10	10	x		
ALL	PLANT AND MACHINE OPERATORS AND ASSEMBLERS	2015-733201	Truck Driver (General)	Workplace (SIPS)	4	Y	10	10	X		
	PLANT AND MACHINE OPERATORS AND ASSEMBLERS	2015-862202	Handyperson	Workplace (SIPS)	3	Y	10	10	x		
	PROFESSIONALS	2015-251301	Multimedia Specialist	Bursaries, work integrated learning and internships: Multimedia studies	6	Y	2	10	x		
Arts, Culture & Heritage	PROFESSIONALS	2015-263206	Heritage Consultant	Learnerships: National Certificate: Heritage Resource Management	5	Y	4	5	x		
	TECHNICIANS AND ASSOCIATE PROFESSIONALS	2015-335906	Environmental Practices Inspector	Learnership: National Certificate Environmental Practices	3	Y	4	4	x		
	MANAGERS	2015-134901	Environmental Manager	Internships and Workplace experience (SIPS)	6	Y	30	30			
	MANAGERS	2015-211402	Hydrologist	Bursary: Bachelor of Science Hydrology	7	Y	10	10	x		
Conservation	PROFESSIONALS	2015-213301	Conservation Scientist	Bursaries and Internships Environment/biodiversity and conservation degrees	7	Y	6	15	x		

SUB-SECTOR	OFO MAJOR GROUP	OFO CODE	OCCUPATION	INTERVENTION PLANNED BY THE SETA	NQF LEVEL	NQF LEVEL ALIGNED Y/N	QUANTITY NEEDED	QUANTITY TO BE SUPPORTED BY SETA	0-100	101-1000	1001 & ABOVE
				Learnership: NC Nature Conservation	2						
	PROFESSIONALS	2015-213302	Environmental Scientist/Auditor	Bursary: Environmental Science	7	Y	4	10	x		
	PROFESSIONALS	2015-213307	Park Ranger	Learnership: National Certificate Natural Resource Guardianship Terrestrial	5	Y	10	10	x		
	TECHNICIANS AND ASSOCIATE PROFESSIONALS	2015-314102	Environmental Science Technician	Bursary and Internship: National Diploma in Environmental Science	5	Y	1	10	x		
	TECHNICIANS AND ASSOCIATE PROFESSIONALS	2015-335906	Environmental Practices Inspector	Learnership: National Certificate Environmental Practices	3	Y	4	4	x		
Gaming & Lotteries	MANAGERS	2015-143101	Betting Agency Manager	Learnership: Generic Management	6	Y	10	10	x		
	MANAGERS	2015-143102	Gaming Manager	Learnership: Generic Management	5	Y	4	12	x		
	TECHNICIANS AND ASSOCIATE PROFESSIONALS	2015-335916	Gaming Operations Compliance Officer	Learnership: Gaming Operations	3	Y	5	10	x		
	CLERICAL SUPPORT WORKERS	2015-421202	Gaming Worker	Learnership: National Certificate Gaming Operations	3	Y	59	60	x		
Hospitality	MANAGERS	2015-141101	Hotel or Motel Manager	Bursary: Management Development programme	6	Y	17	20	x		
	MANAGERS	2015-141201	Café (Licensed) or Restaurant Manager	Bursary and Learnership: Food and Beverage studies/services	6	Y	44	44	x		
	MANAGERS	2015-141203	Catering Production Manager	Bursary and Internships: Catering Management and Professional Cookery	6	Y	17	60	x		
	MANAGERS	2015-141204	Reservations Manager	Bursary, Internships and Work Integrated Learning: National Diploma Hospitality Management	6	Y	3	5	x		

SUB-SECTOR	OFO MAJOR GROUP	OFO CODE	OCCUPATION	INTERVENTION PLANNED BY THE SETA	NQF LEVEL	NQF LEVEL ALIGNED Y/N	QUANTITY NEEDED	QUANTITY TO BE SUPPORTED BY SETA	0-100	101-1000	1001 & ABOVE
	TECHNICIANS AND ASSOCIATE PROFESSIONALS	2015-343401	Chef	Learnership: National Certificate Professional Cookery	4	Y	179	358		x	
	CLERICAL SUPPORT WORKERS	2015-422401	Hotel or Motel Receptionist	Skills Programme and Learnership: Hospitality Reception; WIL: Hospitality studies	4	Y	30	30	x		
	SERVICE AND SALES WORKERS	2015-512101	Cook	Skills Programme: Cook Convenience	2	Y	21	400		x	
	PROFESSIONALS	2015-226905	Biokineticist	Bursary: Human Movement and Sport Science	7	Y	15	15	x		
Sport, Recreation & Fitness	MANAGERS	2015-143108	Sports Centre / Facility Manager	Bursary and Internships: Sport Management studies	6	Y	10	10	x		
				Skills Programme: Sport Facility Management	5	Y					
	TECHNICIANS AND ASSOCIATE PROFESSIONALS	2015-342301	Fitness Instructor	Skills Programme: Fitness Instructor	4	Y	33	40	x		
				Learnership: NC: Fitness	5	Y					
				Bursary: ND: Fitness							
Travel & Tourism	CLERICAL SUPPORT WORKERS	2015-422102	Travel Consultant	Learnership: National Certificate General Travel	5	Y	55	55	x		
	SERVICE AND SALES WORKERS	2015-511302	Tour Guide	Learnerships: Tourism (Guiding); WIL: Tourism	4	Y	10	10	x		

Tel: (011) 217 0600 · Fax: (011) 783 7745
Facebook: facebook.com/cathsseta · Twitter: @cathsseta1
www.cathsseta.org.za