



Enquiries: ZC Mvalo

Telephone: 012 312 5222

Mvalo.Z@dhet.gov.za

To: All SETA Chairpersons, Administrator and Chief Executive Officers

Circular No. 08/2021

**THE MINISTER OF HIGHER EDUCATION, SCIENCE AND INNOVATION STATEMENT
ON PLANS FOR THE POST SCHOOL EDUCATION AND TRAINING INSTITUTIONS
ON ADJUSTED LEVEL 4 LOCKDOWN WITH EFFECT FROM MONDAY 28 JUNE 2021**

The above matter refers.

Following the Minister of Higher Education, Science and Innovation, Dr Blade Nzimande, media briefing on the ongoing work within the science and innovation and plans for the adjusted level 4 lockdown within the post school education and training sector, there has been an unintentional confusion on the part of the statement referring to the skills levy holiday. Any decision regarding skills levy cannot be taken lightly, as it requires, amongst others high level consultation and legislative changes.

Whilst it is a sad reality that employers and employees will continue to suffer economic loss in the wake of alert level 4 lockdown announced by the President of the Republic of South Africa, Honourable Cyril Ramaphosa on 27 June 2021, the skills levy holiday, **was a once off measure as part of COVID-19 tax relief measures**, applicable to the financial year, which ended on 31 March 2021.

The intention of the part of the statement about the skills levy holiday was intended to confirm government's intervention in the financial year, which ended on 31 March 2021, coupled with the increase of the artisan grant, from R165 000 to R206 290, which commenced on 1 April 2021, as part of assisting employers to recover from the initial COVID-19 global health pandemic economic interruptions in the short term.

It must also be noted that there is a long-term government plan as contained in the Economic Reconstruction and Recovery Plan (ERPP) to fully recover the economy and skills training efforts.

Yours sincerely

Mvalo

Mr Zukile Christopher Mvalo
Deputy Director-General Skills Development
Date: 2 July 2021