



TOURISM, HOSPITALITY & SPORT
EDUCATION & TRAINING AUTHORITY

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THETA Updates

As some of you are aware, of the recent developments within the SETAs, amongst others includes the transfer of SETAs from the Department of Labour to the Department of Higher Education and Training, I can confirm that this is indeed happening as per the President's Proclamation no 32549 of the 4th September 2009. The re-certification of SETAs has not been finalised and all SETAs are still awaiting the Ministry's decision. The National Skills Development Strategy (NSDS 3) is still not finalised.

Despite all these delays and turbulences, it is business as usual at THETA, as we prepare to close out the 5 - year cycle of the NSDS 2. We are in the final year of the five-year term and as we wrap up, we are also preparing for the new beginning of the 2010-2015 cycle which will further see us in a different environment with many eagerly anticipated changes.

In mid September THETA had a privilege of addressing the Parliament's portfolio committee on tourism on THETA's past performance and future plans. The good news to be shared is that THETA received an unqualified audit report from the Auditor General in 2008/9 and this has been the trend for the past 3 years. The annual report will be presented at the Annual General Meeting scheduled for the 22 October 2009. This is reassuring news during a time of much turbulence all around us.

The updated Sector Skills Plan has been submitted to the Department of Labour on the 31st August 2009 for approval. The plan includes an updated list of scarce and critical skills as identified by the sector. It will be on the basis of this list of prioritised skills that THETA will allocate training funds including Learnerships and skills programmes.

1. Learnership Programme 2008/9

This programme has been a bumpy process from the beginning, with a record breaking learner allocation since the TLP programme. THETA has been upfront in indicating that a financial commitment in excess of R73m was incurred towards the end of the previous financial year. However, this is not a mountain that THETA cannot climb, as of today over R43m has been paid towards tranches 1 and 2. By the end of September an additional R5m will be disbursed towards tranche 2 claims received so far. At this point, I would like to assure all our providers that our income is sufficient to cover all our current commitments and that all qualifying claims will be duly honoured. Providers are requested to submit all outstanding tranche 2 claims before the end of October 2009.

2. Payment of Tranche 3

THETA has received a number of tranche 3 claims and in our analysis we have established that most of these claims, whilst they indicate 100 percent achievements, the correct rules of module combination have not been followed resulting to non certification of learners. A qualification is made up of a number of credits. Each module has specified number of credits. Modules are divided into fundamentals, core and electives. A minimum number is required from each set of fundamentals, core and electives to meet the requirements of a qualification. The incorrect practice has been to complete these in such a way that minimum requirements are not met, yet credits would sometimes even exceed the 100 percent achievement.

Our control checks have been tightened to ensure that learners get certified at the end of the programme. To ensure that this happens, tranche 3 payment will not be released until such time that a certificate number has been generated and all training meet our ETQA approval. In this regard THETA will once again embark on a massive site verification visit to ensure that whilst we have big learner numbers quality of training is not compromised. The verification visits commence in the 3rd week of October 2009. On receipt of a good standing report from the ETQA payment will be released with immediate effect.

It is important that providers do not perceive this exercise as delaying tactics to make payments, but as the requirement stated in their contracts so as to ensure that THETA derives valuable returns on its investment and to protect learners from this massive exploitation by some training providers who are in this business for money and money only.

3. Next Learnership Rollout

As indicated earlier, the transfer of the NSA, NSF and SETAs to the Department of Higher Education and Training has caused some delays in some of our processes. To date we have not heard from the NSF about our application for Learnership funding. This is a great concern for THETA as well, as we have committed all our funds for the current financial year and we will solely rely on funds from the NSF to offer any Learnerships in the current financial year.

All our systems have been put in place to rollout the Learnership programme the moment we get positive feedback from the NSF. We can only anticipate that the application and allocation process will begin and be concluded before the end of March 2010.

4. Graduate Development Programme

The Graduate Development Programme assisted a total of 3650 learners and unemployed graduates over the past two years. Over 110 host employers participated countrywide. The total project value for the GDP amounted to over R86, 5 million and THETA has made payments to the value of R65, 2 million towards this project. This is one of the THETA's most expensive training interventions in trying to help new workers enter the industry and assist employers obtain qualified graduates at a low cost by subsidizing wages through payment of stipends.

The GDP project had good intentions and indeed a noble cause, only to be tainted by some individuals who saw an opportunity of making quick money by acting as labour brokers canvassing even unqualified workplaces and learners to participate in the programme and charging some placement fees. As a result of this deviant behaviour the GDP project is now being re-scoped and controls tightened in order to ensure that in future the system is not abused. It therefore means that while we still have learners on this programme expected to exit in 2010, THETA will not be taking new entrants until March 2010. THETA continues to pay stipends towards the GDP learners. Further information pertaining to this project will be made available during THETA road shows towards the end of the financial year once the re-certification process has been completed.

5. All other projects

By their very nature, projects have a lifespan, with start and end dates. Most of the THETA projects are being closed out in line with the end of the 5 year cycle. Projects for 2010-2015 are currently being identified to address the scarce and critical skills and will be aligned to the NSDS 3. Similarly, this information will be made available during the THETA road shows in March 2010.

6. Discretionary grants

THETA has been paying a 20 percent discretionary grant to levy payers claiming the grant to cover the cost of ABET and HIV/AIDS. Here again some Levy payers saw an opportunity to exploit the system by double claiming for the same learners in the ABET programmes. THETA awarded ABET-grants to a number of levy payers to the value of R30m in 2008/9 alone. The very same recipients of the grant further claimed for the 20 percent discretionary for the same ABET learners paid for by THETA. In the light of this unfolding of events, THETA is broadening the coverage of the discretionary grant to include other criteria in consistence with Funding Regulations of 2005.

7. Mandatory grants

This year THETA received a record number of over 1200 WSP/ATRs reports by 30 June 2009. This WSP number represents about 3 300 levy payers who claimed the 50 percent of their levies to the estimated value of R77 million this current financial year. I am pleased to announce that validation of these claims have been completed and the first portion payment of over R11 million has been released accordingly.

Mandatory Grant Schedule 2009 – 2010

Tranche 1	Tranche 2	Tranche 3	Tranche 4
08 Sept 2009	09 Dec 2009	10 March 2010	10 June 2010

8. Updating the OFOs

As you might already be aware that THETA has embarked on a major project to update the sector's occupations on the Organising Framework for Occupations (OFOs), I am further appealing to all employers to assist by making this project a success. All that is requested is very simple, occupations or job titles together with job descriptions. Even if the positions are currently vacant or frozen, all that is needed is the titles and their descriptors. The following Service Providers have been contracted by THETA to conduct this exercise;

<p>Travel, Tourism & Events: Provider Skills Solutions Contact Person Carol-Anne Cairns Telephone 011 318 2907 Email : ccairns@mweb.co.za</p>	<p>Gaming & Lotteries: Provider QDC Contact Person Jennifer Quinn Telephone 012 811 0418 Email: jennifer@quintessential.co.za</p>	<p>Hospitality: Provider EMS Telephone 084 409 6455 Contact Person Devi Naraindass Email: devinaraindass@yahoo.com</p>
<p>Sport, Recreation & Fitness: Provider The ED Agency Contact Person Deon Coetzee Telephone 012 803 6840 Email; edagency@mweb.co.za</p>	<p>Conservation & Tourist Guiding: Provider KCS Contact Person Kurt Bresele Email: kurtb@yourside.co.za</p>	<p>THETA Contact Person: Muzi Mwandla THETA Telephone: 011 217 0600 Email: muzi@THETA.org.za</p>

9. Training Lay-off Scheme

The Training Lay-off Scheme is the national government initiative to help financially distressed employers sustain employment during this global recession period. THETA is required to fund training of employees about to be retrenched, provide them with alternative skills where applicable. The NSF will take the responsibility of subsidising wages of those identified employees. All applications will be directed and handled by the CCMA. Employers are requested to indicate to THETA the immediate training needs that will assist affected

employees sustain their jobs. Our attempts to glean this information from WSPs, could not find such useful information.

In conclusion, may I take this opportunity to thank all our stakeholders for their continued support in these challenging times and assure you that we are not only working hard but smart to ensure that we put in place fool proof systems to support skills development in the sector. With limited resources available we are determined to provide the industry with the necessary skills to support quality employment and growth in the industry. Skills development is not just an event or one intervention, but a long term process of developing human capital. Our combined persistent efforts will see this industry growing from strength to strength in the years to come.

For more information or clarification please contact the following staff on (011) 217 0600

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Ms Buyisiwe Dube	Chamber Coordinator Hospitality	buyisiwed@THETA.org.za	Training Lay-off Scheme

Yours sincerely

Mike Tsetetsi
CEO
THETA