



DEVELOP & GROW

SECTOR SKILLS PLAN 2025 – 2030



higher education
& training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

SERVICES SECTOR EDUCATION
AND TRAINING AUTHORITY



Cleaning & Hiring Services



Communication & Marketing Services



Labour & Collective Services



Management & Business Services



Personal Care Services



Real Estate & Related Services

Name:

Services SETA

Physical Address:

15 Sherborne Road Parktown, 2193

Postal Address:

**Services SETA
PO Box 3344, Houghton 2041
South Africa**

Website:

www.servicesseta.org.za

For more information, please contact: Tel: +27 11 276 9600

Email: customercare@servicesseta.org.za

VISION

A flourishing services sector that cultivates inclusive opportunities for all South Africans.

MISSION

To facilitate skills development for employment and entrepreneurship in the services sector, fostering economic growth.

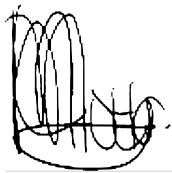
VALUES

Accountability
Innovation
Integrity
Professionalism
Inclusivity

Official Sign-off

It is hereby certified that this Sector Skills Plan:

- › Was developed by the Management of the Services SETA in consultation with the Department of Higher Education and Training;
- › Was informed by extensive primary and secondary research and complimented by comprehensive literature reviews;
- › Involved representative stakeholder consultations; and
- › Accurately identifies hard-to-fill vacancies and skills gaps to inform strategic and annual performance priorities.



Ms Mamabele Motla

Executive Manager: Strategy & Insights

31 January 2025

Date



Mr Andile Sipengane

Acting Chief Executive Officer

31 January 2025

Date



Mr Stephen De Vries

Chairperson: Accounting Authority

31 January 2025

Date

For more information, please contact:

Services SETA

PO Box 3344

Houghton

2041

South Africa

Tel: +27 11 276 9600

Email: customercare@serviceseta.org.za

CHAIRPERSON FOREWORD

It gives me great pleasure to present this Sector Skills Plan (SSP) 2025-2030. This submission marks an important milestone in the SETA and PSET landscape. It marks the start of the planning cycle for the Seventh Administration in our electoral system – a new plan for 2025/26-2029/2030. This submission is critical in informing the Services SETA Strategic Plan 2025/26-2029/2030, which will be aligned to the Government's Medium-Term Strategic Plan 2024-2029 (MTDP). As a result, this submission

will also take stock of the performance in the last four years to inform plans for the next five years.

This submission is foregrounded by a worrying economic climate. Economic growth as measured by GDP paints a bleak picture for the country, and indeed the rest of the world. The South African economy has practically stagnated. Growth trends vacillate between a negative growth to less than 1 percent positive growth trajectories. Equally negatively impacted is unemployment trends. Unemployment rates continue to steadily climb up, despite occasional GDP growth. Adversely affected are women, youth, and people residing in rural areas. These challenges notwithstanding, the services sector remains the backbone of South African economy in terms of GDP growth and job creation. The sector remains resilient in terms of growth as measured by these indicators. In addition, the sector continues to notice a steady increase in the numbers of new businesses being registered. The number of employers belonging to the Services SETA increased from 191,170 to 193,931 respectively in 2023 and 2024.

However, the number of employers contributing towards the skills levy decreased from 35,931 to 31,960. This state of affairs requires further

A portrait of Mr S de Vries, a middle-aged man with short dark hair, wearing a blue checkered blazer over a pink shirt. He is resting his chin on his hand and has a thoughtful expression.

MR S DE VRIES

Chairperson: Accounting Authority

examination in the next five years, given the prime emphasis placed on workplace-based training and work placement in line with the occupational qualifications framework.

Also requiring attention are megatrends informing changes in skills and supply, such as technological advancement, digitisation, globalisation, climate, legal frameworks, and natural disasters. The Services SETA has sought to carefully manage these trends over the years. It is quite clear that certain change drivers continue to remain with us and may do so for the foreseeable future. This calls for careful consideration of these skills change drivers, and the development of long-term plans to adequately address them as envisaged in this SSP submission.

An equally important task facing the Services SETA is the national effort to grow the Small, Medium and Micro Enterprises (SMME) sector. SMMEs are considered critical for growing the economy and creating jobs. Unlike medium and large entities that have reached a plateau in their development cycle, SMMEs are still

growing and have the potential to hire more people as they expand or grow. SMMEs support can also drive transformation. Research indicates that SMMEs are majority owned by women and young people. Providing support and creating an enabling environment for the growth of SMMEs will achieve a number of goals simultaneously.

The Services SETA will continue to invest in research to inform decision-making and evaluate the impact of their interventions on the sector and its beneficiaries. We will further ensure that we provide support to the implementation of the three MTDP 2024/29 strategic priorities, namely;

1. Inclusive growth and job creation;
2. Reduce poverty and tackle the high cost of living and;
3. Building a capable, ethical, and developmental state.

I, therefore, invite you to continue supporting us in this important task facing our nation.

Together, we can achieve more.



MR STEPHEN DE VRIES

CHAIRPERSON: ACCOUNTING AUTHORITY

31 January 2025

DATE

LIST OF ACRONYMS

4IR	Fourth Industrial Revolution	PIVOTAL	Professional, Vocational, Occupational, Technical and Academic Learning
AA	Accounting Authority	PFMA	Public Finance Management Act
AI	Artificial Intelligence	PPRA	Property Practitioners Regulatory Authority
APP	Annual Performance Plan	PQ	Part Qualification
ATR	Annual Training Report	PSET	Post-School Education and Training
B-BBEE	Broad-Based Black Economic Empowerment	QCTO	Quality Council for Trade and Occupations
CET	Community Education and Training	QLFS	Quarterly Labour Force Survey
DG	Discretionary Grant	QES	Quarterly Employment Survey
DHET	Department of Higher Education and Training	SAFA	South African Franchise Association
DoL	Department of Employment and Labour	SAPS	South African Police Service
DSBD	Department of Small Business	SAQA	South African Qualifications Authority
Dti	Department of Trade and Industry	SDA	Skills Development Act
ERRP	Economic Reconstruction and Recovery Programme	SDL	Skills Development Levy
ERRSS	Economic Reconstruction and Recovery Skills Strategy	SDLA	Skills Development Levies Act
FQ	Full Qualification	SDP	Skills Development Provider
GDP	Gross Domestic Product	SEDA	Small Enterprise Development Agency
GRSC	Governance Risk and Strategy Committee	SEFA	Small Enterprise Finance Agency
HEMIS	Higher Education Information Management System	SETA	Sector Education and Training Authority
H-T-F-V	Hard-to-fill-vacancies	SETMIS	Sector Education and Training Management Information System
IBASA	Institute of Business Advisors Southern Africa	SET	Science, Engineering and Technology
ICT	Information Communication Technology	SIC CODE	Standard Industrial Classification Code
IPAP	Industrial Policy Action Plan	SIPs	Strategic Integrated Projects
LPE	Levy Paying Employer	SME	Small Micro Enterprises
M&E	Monitoring and Evaluation	SMME	Small, Medium and Micro Enterprises
MoA	Memorandum of Agreement	SP	Skills Programme
MoU	Memorandum of Understanding	SPOI	Sectoral Priority Occupation Interventions
MTSF	Medium-Term Strategic Framework	SSP	Sector Skills Plan
NDP	National Development Plan	STATS SA	SA Statistics South Africa
NEET	Not in Education, Employment or Training	TES	Temporary Employer Services
NGP	New Growth Path	TOR	Terms of Reference
NLPE	Non-Levy Paying Employer	TVET	Technical Vocational Education and Training
NPO	Non-Profit Organisation	USAf	University South Africa
NQF	National Qualifications Framework	WP-SET	White paper on post-education and training
NSDP	National Skills Development Plan	WSP	Workplace Skills Plan
NSDS	National Skills Development Strategy	YES	Youth Employment Scheme
OFO	Organising Framework for Occupations		

EXECUTIVE SUMMARY

This SSP was prepared in accordance with Section 10 (1) (a) of the *Skills Development Act* (SDA) of 1998, which mandates the SETA to develop an SSP within the *Framework and Guidelines* included in the *National Skills Development Plan* (NSDP) 2030. The key policy drivers identified and considered in this SSP are the *National Development Plan* (NDP), *National Growth Path* (NGP), *Industrial Policy Action Plan* (IPAP), *National Skills Development Plan 2030* (NSDP), *White Paper on Post-School Education and Training* (WP-PSET), the *Economic Reconstruction and Recovery Plan* (ERRP), and the *Economic Reconstruction and Recovery Skills Strategy* (ERRSS) and has been highlighted, and the contribution of the Services SETA to the implementation of each, discussed.

This SSP 2025-2030 submission is informed by findings from primary and secondary research methods used to collect information on skills demand and supply in the services sector. Primary research includes the analysis of the Services SETA mandatory grant data (WSP and ATR), performance information (learner enrolments and completion data), and employer surveys and stakeholder engagements. Secondary research includes a desktop literature review and analysis of employers' recruitment data, Statistics South Africa's (Stats SA) Quarterly Labour Force Survey (QLFS), and Gross Domestic Product (GDP). Research findings were validated through stakeholder workshops comprising management, Accounting Authority of the Services SETA, and key industry representatives.

As demarcated by the Department of Higher Education and Training (DHET), the services sector refers to the 68 Standard Industrial Classification (SIC) Codes. The 68 industries have been divided into six chambers and 16 subsectors for operational purposes. As of February 2024, there were approximately 193,931 employers actively trading within the sector, representing an increase of more than 3,000 new employers entering the services sector. Most employers are classified as medium to small, implying that companies employ at most 150 people. Employers in the Services SETA sector are concentrated in Gauteng, KwaZulu-Natal, and the Western Cape provinces. Key role players and their influence on the services sector include the Accounting Authority, employers, trade unions, Technical Vocational Education and Training (TVETs), Community Education and Training (CETs) colleges and universities, industry bodies and associations and lastly Skills Development Providers (SDPs).

Overall, the South African economy is not doing very well. The dire economic situation predates the COVID-19 pandemic era. The pandemic only served to exacerbate an already bad situation. Back on the heels of the COVID-19 pandemic, the globally spread inflation is inflicting yet another blow to the economy. The country is facing difficulties concerning the overall recovery. In 2023, economic trends were characterised by repeated growth and decline each quarter. Employment, for the same period, follows a similar pattern – a positive growth in one quarter and a negative growth in another.

To address the challenges faced by the services sector, the Services SETA aims to forge a close working relationship with the industry, labour and government, and all key role players in the Post-School Education and Training (PSET) ecosystem to address the shortage of critical skills that can help grow the economy. Chapter 4 highlights critical partnerships being pursued and/or planned. The central focus is building the capacity to supply relevant skills to support the growth of the services sector and bring business and labour onboard as key constituencies.

Change drivers impacting on the skills demand and supply includes Technology and Digitisation, Economy Performance, Legislation, Green environment and Globalisation. Technological evolution occurs rapidly with dire consequences for the labour force, requiring regular upskilling of the economically active labour force and the supply of the prospective labour force with relevant skills. Industries mostly affected by the technological change include marketing, real estate, postal services, contact centres, and funeral services. Implications are that the labour force must constantly acquire the requisite skills while the education and training institutions ensure the relevance of qualifications on offer. The Services SETA is collaborating with other SETAs to service the needs of the industry whilst developing in-house qualifications that address skills demand driven by technological advancement, especially management of big data.

Additional measures to mitigate the impact of key drivers of skills change introduced by the Services SETA include alignment with the government strategies and plans such as ERRP, ERRSS, and the Presidential Youth Employment Interventions. To address the latter, the Services

SETA will continuously set annual targets to recruit and place University and TVET college graduates in workplaces, working with employers and labour.

A list of hard-to-fill vacancies is presented in Chapter 3 per chamber and subsector. An attempt has been made to ensure the ability of the Services SETA to service these occupations by highlighting the available interventions and investigating the possibility of collaborating with other SETAs where possible. The services sector is one of the sectors that lag in transformation. Not surprisingly, equity consideration is one of the underlying reasons for hard-to-fill vacancies. Alignment with the Economic Reconstruction and Recovery Skills Strategy (ERRSS) has been affected by identifying scarce skills contained in the ERRSS that the Services SETA can support.

Common reasons for the inability to fill vacancies include lack of experience, qualifications, skills, salary and equity considerations. A strong focus on IT-related occupations signifies the impact of the Fourth Industrial Revolution (4IR). These observations align with the ERRSS' list of skills gaps highlighted in this SSP and strengthened.

The Sectoral Priority Occupations and Interventions (SPOI) list emanating from hard-to-fill vacancies or skills gaps was developed jointly with key stakeholders. The magnitude of demand has been determined with input from management and the industry. Identified interventions will inform the development of the 2025-2030 Strategic Plan and Annual Performance Plan for 2025/26 financial year.

Given the importance of partnerships in skills development, the Services SETA has initiated several partnerships with key stakeholders, including TVET and CET Colleges, universities,

local and national government departments. These partnerships focus on skills demand and supply, as well as the roles of TVET and CET Colleges, Higher Education Institutions, intermediaries, and inter-SETA collaborations.

The current inter-SETA collaboration is the best partnership model for the Services SETA. This approach brings SETAs together under one roof and allows for sharing of information and resources.

Chapter 5 emphasises monitoring and evaluation (M&E) practices at the Services SETA and how this data informs planning. Monitoring and evaluation are crucial to the success of all SETA interventions and projects. The Services SETA's M&E approach is closely aligned with the Government-wide M&E framework and the government planning framework, which is a result-based management framework embedded in the Theory of Change. This approach allows for the effective use of performance information and audit outcomes in decision-making and will inform Services SETA's organisation-wide M&E framework, which is being developed.

Chapter 6 outlines five priority actions for implementing the SSP 2025-2030. These include:

1. Implementation of an organisational-wide M&E Framework to improve performance management;
2. Foster Inter-SETA collaborations, industry and government partnerships to support skills development in the services sector;
3. Work with QCTO and industry role players to complete and implement registered occupationally directed qualifications;
4. Drive adoption of Technology and Digitisation in the services sector and address mismatch between demand and supply; and
5. Support economic recovery and growth through the promotion of SMME development in the services sector.



MR ANDILE SIPENGANE

ACTING CHIEF EXECUTIVE OFFICER



MR STEPHEN DE VRIES

CHAIRPERSON: ACCOUNTING AUTHORITY

TABLE OF CONTENTS

CHAIRPERSON FOREWORD	iv	3.3. Supply-side Analysis	35
LIST OF ACRONYMS	vi	3.4. Transition from Legacy Qualifications to Occupational Qualifications	43
EXECUTIVE SUMMARY	vii	3.5. Sectoral Priority Occupations and Interventions	43
TABLE OF CONTENTS	x	3.6. Conclusion	46
LIST OF TABLES	xi	CHAPTER FOUR: SETA PARTNERSHIPS	47
LIST OF FIGURES	xi	4.1. Introduction	48
RESEARCH PROCESS AND METHODS	xii	4.2. Approach to Partnerships	49
Introduction	xii	4.3. An Analysis of Existing SETA Partnerships	52
Research Process	xii	4.4. Partnership Performance Analysis	53
Conclusion	xv	4.5. Proposed Partnerships	53
CHAPTER ONE: SECTOR PROFILE	1	4.6. Conclusion	54
1.1. Introduction	2	CHAPTER FIVE: SETA MONITORING AND EVALUATION	55
1.2. Scope of Coverage	2	5.1. Introduction	56
1.3. Key Role-Players	4	5.2. Sector Skills Planning Reflections	56
1.4. Employer Profile	6	5.3. Plan of Action	61
1.5. Labour Market Profile	8	5.4. Conclusion	62
1.6. Conclusion	16	CHAPTER SIX: STRATEGIC SKILLS PRIORITY ACTIONS	63
CHAPTER TWO: KEY SKILLS CHANGE DRIVERS	17	6.1. Introduction	64
2.1. Introduction	18	6.2. Findings from Previous Chapters	64
2.2. Factors Affecting Skills Demand and Supply	18	6.3. Measures to Support National Strategies and Plans	65
2.3. Policy Frameworks Affecting Skills Demand or Supply in the Sector	20	6.4. Recommended Priority Actions	67
2.4. Conclusion	23	6.5. Conclusion	69
CHAPTER THREE: SECTORAL SKILLS DEMAND AND SUPPLY ANALYSIS	25	BIBLIOGRAPHY	70
3.1. Introduction	26		
3.2. Occupational Shortages and Skills Gaps	26		

LIST OF TABLES

Table 1.	List of Research Studies Used in the SSP Update	xiii
Table 2.	List of Stakeholder Engagement Sessions	xiv
Table 3.	Services SETA Chambers and Sub-sectors	3
Table 4.	Key Role Players	5
Table 5.	The Size of the Services SETA Employers by Chamber, Sub-sector and Levy Contribution	6
Table 6.	Profile of Services SETA Employers by Chamber, Sub-sector, Size and Levy Contribution	7
Table 7.	Employment by Gender, Race and Age in the services sector	14
Table 8.	Change Drivers and Implications for Skills Planning	19
Table 9.	National Strategies/Policies and Implications for Skills Planning	21
Table 10.	Hard-to-Fill Vacancies List over 2019 – 2024 MTSF	27
Table 11.	Hard-to-Fill Vacancies, Cleaning and Hiring Services Chamber	29
Table 12.	Hard-to-Fill Vacancies, Communications and Marketing Services Chamber	29
Table 13.	Hard-to-Fill Vacancies, Labour and Collective Services Chamber	30
Table 14.	Hard-to-Fill Vacancies, Management and Business Services Chamber	31
Table 15.	Hard-to-Fill Vacancies, Personal Care Services Chamber	32
Table 16.	Hard-to-Fill Vacancies, Real Estate and Related Services Chamber	32
Table 17.	Skills Gaps in the Services Sector	33
Table 18.	Emerging Occupations	34
Table 19.	ERRPSS Occupations SETA Interventions	34
Table 20.	Registered Occupational Qualifications (Full/Part) and Skills Programmes	41
Table 21.	Occupational Qualifications (Full/Part) and Skills Programmes Under Development/ review/re-alignment	42
Table 22.	Services SETA Priority Occupations and Interventions List 2025/26	44
Table 23.	List of Existing Partnerships with the Services SETA	49
Table 24.	Services SETA's Response to the National Digital Skills Strategy	66
Table 25.	Changes in Priority Actions, 2020/21-2024/25	67

LIST OF FIGURES

Figure 1.	Research Process	xii
Figure 2.	WSP/ATR Submissions, 2020-2024	8
Figure 3.	Services SETA Employers by Province	8
Figure 4.	Growth in GDP, Q1 2021- Q4 2023 (%)	9
Figure 5.	Contributions to GDP, Q4 2023 (%)	10
Figure 6.	Services Sector Employer Levy Contribution by Chamber	10
Figure 7.	Skills Development Levy Revenue, 2019/20-2023/24	11
Figure 8.	Unemployment Rates, Q1 2023-Q1 2024	11
Figure 9.	Unemployment by Gender, Q1 2023-Q1 2024	12
Figure 10.	NEET Rates for Youth 15-24 and 15-34 years Q1, 2024	12
Figure 11.	Employment by Industry, in Thousands Q4 2023-Q1 2024	13
Figure 12.	Employment by Occupational Level	15
Figure 13.	Educational Level	15
Figure 14.	Services Sector Employees by Level of Education	15
Figure 15.	Learner Enrolment in Public and Private HEIs, 2016-2021	35
Figure 16.	Number of Students Enrolled in Public HEIs by Major Field of Study, 2011-2021	36
Figure 17.	Learner Enrolment by Type of Qualifications in TVET Colleges, 2011-2021	36
Figure 18.	Comparison of Learner Enrolments and Completions Rate 2014-2021	37
Figure 19.	Learner Completion Rates, 2016-2021	37
Figure 20.	Learner Enrolment in all 21 SETAs, 2021	38
Figure 21.	Learner Completion in all 21 SETAs, 2021	38
Figure 22.	Comparison of Total Learner Enrolment and Completion in all 21 SETAs 2012-2021	39
Figure 23.	Services SETA Learner Enrolment, 2016-2021	39
Figure 24.	Services SETA Learner Enrolment and Completion, 2016-2021	40
Figure 25.	Linkage of Education and the Workplace through SETAs	48
Figure 26.	Services SETA's M&E Framework	57
Figure 27.	Monitoring and Evaluation Learning Cycle	58

RESEARCH PROCESS AND METHODS

INTRODUCTION

The SSP is one of the key strategic documents that the Services SETA is mandated to develop. It is the culmination of rigorous research on the key skills development trends and issues in the Services Sector. In addition, the Services SETA conducts various research projects and studies that align with the Research Agenda approved by the Accounting Authority (AA). These research studies then contribute relevant information and knowledge to the six chapters in the SSP document.

The DHET prescribed an SSP framework emphasising that the SSP must be informed by accurate, evidence-based research responding

to the skills needs and gaps using research and consultations with key stakeholders in the sector. This SSP submission was informed by primary and secondary data, including qualitative and quantitative research methods. This section outlines the research methods and processes applied in producing this SSP document.

RESEARCH PROCESS

Figure 1 below depicts the Services SETAs' research process followed in producing the sector skills plan and the primary data collection methods used to collect data analysed in the SSP. This process starts with the approval of the Research Agenda and ends with the final approval and sign-off from the Accounting Authority.

Figure 1. Research Process



1. Approval of Research Agenda

The research agenda is prepared every preceding year to guide research activities that inform the SSP update. This research is then implemented following the purpose outlined above. The research agenda for 2025/26 was approved on the 29th of July 2024 and is available herein as an annexure. The research agenda is approved at the Accounting Authority level with the guidance of the Management and the Governance Risk and Strategy Committee (GRSC). This approval allows the research team to actively implement the various research topics in the Research Agenda.

2. Primary Research

The inception of new projects starts on the 1st of April (in line with the new financial year) and continues until its completion. The start

of new projects coincides with the financial year to ensure alignment with the budget. The completion date depends on the project's scope; however, care is often taken to ensure that research projects do not exceed two consecutive financial years. In this update, findings from the following primary research studies are used:

1. Skills needs of the Temporary Employer Services Industry;
2. Learner Tracer Study – 2023;
3. Employer Interviews – 2023;
4. Services Sector Skills Needs Analysis; and
5. SSP Validation Surveys

A summary of the research methods, research design, sample size and research tools used has been outlined in Table 1.

Table 1. List of Research Studies Used in the SSP 2025-2030

Study Title	Skills needs of Temporary Employer Services Industry	Learner Tracer Study – 2023	Employer Interviews – 2023	Services Sector Skills Needs Analysis	SSP Validation Surveys
Objective of the study	Investigate the skills needs of the TES industry.	Determine the destiny of graduate learners funded by the Services SETA.	Impact of megatrends on companies. Current and future skills needs of employers.	Investigate current skills needs of services sector employers.	To validate and confirm key skills change drivers, Hard-to-fill-vacancies, and skills gaps.
Research design	Quantitative design	Quantitative design	Qualitative	Quantitative and Qualitative	Quantitative design
Research method	Online Survey	Online Survey	Personal interviews	Online survey focus group interviews	Online survey
Sample size	68 companies sent Invitations and 38 responses received	7,611 invitations sent, and 2,037 responses received	54 member Companies contacted, and 18 responses received	Six industry engagements were conducted	106 stakeholders responded to the survey
Data sources	Survey data	Survey data	Interview transcripts	WSP/ATR 2024, Survey data Interview transcripts	Survey data
Study duration	Commenced 20 June 2023 and completed 31 August 2023	Commenced 01 July 2023 and completed 15 December 2023	Commenced 24 July 2023 and completed 11 September 2023	Commenced 20 May 2024 and completed 24 May 2024	Commenced 5 July 2024 and completed 19 July 2024
Chapter Informed	Chapters 2 & 3	Chapters 3, 5 & 6	Chapters 2 & 3	Chapters 1, 2 & 3	Chapters 2 & 3

3. WSP/ATR Submissions

WSP/ATR data is critical in informing the SSP, especially regarding the nature and extent of skills demand for the sector, including the economic outlook. Around 5,006 employers submitted WSP/ATRs in 2023/24, which were analysed to inform this update. As discussed above, WSP/ATR data is crucial for understanding skills demand and supply in the services sector. The analysis focused on the Lists of Hard-to-Fill Vacancies, Skills Gaps, Change Drivers, and Future skills. The planned and implemented skills were also considered in the overall analysis.

4. Employer Interviews/Surveys

SETAs are mandated by the DHET to conduct employer interviews annually. Once the collated information is submitted to DHET, a consolidated report is compiled using the template provided. DHET produces the final qualitative SETA Report on Hard-To-Fill Vacancies (H-T-F-Vs) and Skills Gaps. SETAs also utilise data to update and compile their respective SSPs by triangulating with other research. For the Services SETA, eighteen employers were reached, representing

ten subsectors. They all represented the six chambers of the Services SETA. The analysis focused on the Lists of H-T-F-Vs, Skills Gaps, Change Drivers, and Future skills.

5. Stakeholder Engagements

The lists of H-T-F-Vs, Skills Gaps, Change Drivers, and Future skills compiled from the sources and process outlined above were discussed with the management team for final consideration, taking into account the training budget available, availability of qualifications and training providers, and national priorities, especially the ERRPSS. Table 2 outlines the extent of engagements with various stakeholder engagement workshops and internal consultations. Online workshops with stakeholders were held to investigate the nature and extent of skills demand and supply, skills gaps and change drivers within the services sector. Later, follow-up by the survey to confirm the validity and magnitude of the skills and change drivers identified. These are depicted in Table 2.

Table 2. List of Stakeholder Engagement Sessions

Stakeholders	Date
Haircare Services Subsector validation workshop	20 May 2024
Beauty Services Subsector validation workshop	20 May 2024
Communications and Marketing Services Chamber validation workshop	21 May 2024
Management and Business Services Chamber validation workshop	21 May 2024
Funeral and Fashion Services Subsector validation workshop	22 May 2024
Labour and Collective Services Chamber validation workshop	23 May 2024
Real Estate and Related Services Chamber validation workshop	23 May 2024
Cleaning and Hiring Services Chamber validation workshop	24 May 2024
Management Committee	03 June 2024
Governance Risk and Compliance Committee	06 June 2024, 22 July 2024 and 15 January 2025
Executive Committee of the Accounting Authority	12 June 2024, 24 July 2024 and 22 January 2025
Accounting Authority	29 July 2024 and 24 January 2025

6. Drafting of SSP

Drafting the SSP 2025-2030 was a joint effort by all key departments, including middle and senior management.

7. Approval and sign-off by AA

The AA's GRSC played an important role in reviewing this SSP 2025-2030 and recommending that the AA approves it. The GRSC meeting took place on the 06th of June 2024 and 22nd of July 2024, and the AA's Executive Committee sat on the 12th of June 2024 and 24th of July 2024 for the final review and sign-off by AA on the 29th July 2024. To align with the MTDP 2024-2029 and Occupation Qualification transitioning consideration, the approvals were as follows:

- › 15th January 2025 (GRSC)
- › 22nd January 2025 (EXCO)
- › 24th January 2025 (AA).

CONCLUSION

The data collection methods discussed above balance quantitative and qualitative methodologies. Each method has many benefits and some limitations. However, combining qualitative and quantitative research designs provides rich data that is analysed for accurate information in the SSP.

SECTOR SKILLS PLAN

2025 – 2030



DEVELOP & GROW

1 | SECTOR PROFILE

1.1. Introduction

The primary purpose of this chapter is to present a sector profile. It indicates the scope of coverage of the sector, its key role players, its economic performance in relation to the labour market and how employment has evolved due to economic changes. The discussions on the scope of the services sector will reveal that the sector is very diverse and cuts across several major industry categories, firstly and secondly, that the services sector is informal and comprises many small and medium-sized companies. Given the sector's diversity, several role-players provide support in ensuring that the sector supports the sustainability and growth of SMMEs, including its labour force.

This chapter gives a sense of the size and shape of the sector. The information presented herein is based on primary and secondary data. Primary data included analysis of research findings of research studies undertaken or commissioned

by the Services SETA as outlined above. Furthermore, contributions of findings from each research study will be highlighted in each applicable section and/or subsection. Secondary data is derived from available research studies commissioned by various role players, including raw data collected by Statistics South Africa.

1.2. Scope of Coverage

The scope of coverage of the Services SETA is determined by the Minister of Higher Education, Science and Innovation in terms of the government gazette (DHET, 2019). Regarding the recent gazette, the Services SETA scope covers 68 SIC Codes as outlined in Table 3 below. Table 3 provides a breakdown of the Services SETA's industries by 68 SIC codes, 16 sub-sectors and six chambers. Each of these sub-sectors has characteristics, employment trends and economic drivers that are strikingly different from one another. The different sub-sectors have, in turn, been grouped into six chambers.

Table 3. Services SETA Chambers and Sub-sectors

Cleaning and Hiring Services Chamber		
Sub-Sector Title	SIC Code	Gazetted Industry Descriptor
Hiring Services	86025	Office Machinery, Equipment and Rental Leasing
	50500	Renting of Construction or Demolition Equipment with Operators
	85000	Renting Of Machinery and Equipment, Without Operator and Of Personal and Household
	85200	Renting of Other Machinery and Equipment
	85300	Renting of Personal and Household Goods N.E.C
	99029	Function and Catering Equipment Hire
	99035	Miscellaneous Item Hire
	99036	Truck Hire
	99037	Video Hire
	99052	Truck and Plant Hire
Household Services	99025	Dry Cleaning and Laundering
	99026	Garden Maintenance Services
Domestic Services	99027	Domestic Services
Cleaning Services	99002	General Cleaning
	99018	Cleaning of Carpet and Upholstery
	99047	Pet Care
	99019	Cleaning Equipment and Consumable Supply
Communication and Marketing Services Chamber		
Marketing Services	9001	Marketing Services
	9002	Marketing Communications (Inc. Public Relations)
	9008	Direct Marketing
	88130	Market Research and Public Opinion Polling
	99038	Brand Marketers
Contact Centres Services	99055	Call Centre Management of People
Postal Services	75110	National Postal Activities
	75111	Banking Via Post Office
	75121	Mail Handling
Labour and Collective Services Chamber		
Labour Recruitment Services	88918	Permanent Employment Agencies
	88910	Labour Recruitment and Provision of Staff
	88916	Private Employment Agencies and Temporary Employment Services
	99045	Personnel Services Agencies
	88917	Temporary Employment Services
Collective Services	95120	Activities of Professional Organisations
	95155	Professional Bodies N.E.C.
	95991	Bargaining Councils and Dispute Resolution
	95992	Associations, Federations and Umbrella Bodies

Cleaning and Hiring Services Chamber		
Sub-Sector Title	SIC Code	Gazetted Industry Descriptor
Management and Business Services Chamber		
Business Services	61421	Import and Export of Various Metals
	88141	General Consulting Services
	96490	Other Recreational Activities
	99000	Other Service Activities
	99014	Quality Management and Related Services
	99016	NGO Management and Services
	99015	Non-Financial Business Management and Management Consulting
	99090	Other Service Activities N.E.C
Project Management Services	99039	Generic Project Management
	99056	Event And Conference Management Excluding the Operation of Convention Centres
Personal Care Services Chamber		
Hair Care Services	99022	Ladies Hair Dressing
	99023	Men's and Ladies Hairdressing
Beauty Treatment Services	99024	Beauty Treatment
	99041	Nail Technology Including Nail technologists, Nail Technicians and Distributors and Agencies of Nail Products
	99042	Non-Allied Registered Perfumery Including Aromatic Oils and Related Products, Perfumery Consultants, Salespeople and Agencies of Nail Products
	99043	Health And Skin Care Inc. Health and Skin Care Therapists, Stress Therapists and Cosmetologists, Slimming Salons and Distributors of Slimming Products
	99044	Make-Up Artistry
	99050	Distributors of Slimming Products Including Slimming Machines
	99051	Distributors of Makeup Products and Related Merchandise
Funeral Services	34260	Cutting, Shaping and Finishing of Stone
	99030	Funeral and Related Activities
	99033	Coffin Making by Funeral Enterprises
	99034	Manufacture of Funeral and Tombstone
Fashion Services	99046	Modelling Agencies
	99054	Fashion Design Not Related to Clothing
Real Estate and Related Services Chamber		
Real Estate Services	50411	Decorating Business/Interior Designers and Decorators
	84000	Real Estate Activities
	84100	Real Estate Activities with own or Leased Properties
	84200	Real Estate Duties on a Fee or Contract Basis
	84201	Real Estate Valuation Services
	84202	Property Management Services
	84203	Estate Agencies
	99053	Valuers

Source: DHET (2019)

1.3. Key Role-Players

This section identifies the main players in the services sector. It outlines each player's role in relation to skills development or education and training and their role in relation to the NSDP outcomes (see Table 4).

Table 4. Key Role Players

Key Partners	Description
Services SETA Accounting Authority	<p>The AA of the Services SETA and its five committees plays a crucial role in governing and managing the Services SETA in accordance with the Public Finance Management Act (PFMA) and any other applicable legislation. These committees are mechanisms to assist the AA in giving detailed attention to specific key areas of its duties and responsibilities, including implementing the NSDP 2030.</p> <p>Role in relation to NSDP Outcomes:</p> <p>Provides an oversight role over the Services SETA to ensure that the Services SETA fulfils its mandate and effectively implements all 8 outcomes of the NSDP.</p> <ul style="list-style-type: none"> › Outcome 1: Identify and increase production of occupations in high demand, › Outcome 2: Linking education and the workplace. › Outcome 3: Improving the level of skills in the South African workforce › Outcome 4: Increase access to occupationally directed programmes › Outcome 5: Support the growth of the public college system. › Outcome 6: Skills development support for entrepreneurship and cooperative development › Outcome 7: Encourage and support worker-initiated training. › Outcome 8: Support career development services.
Employers	<p>Employers are a critical voice for the business community in influencing the country's policy direction. The Services SETA interacts with employers through associations, among which chamber committees are constituted to jointly facilitate skills development in line with the NSDP 2030.</p> <p>Role in relation to NSDP Outcomes:</p> <p>They support outcomes;</p> <ul style="list-style-type: none"> › Outcome 1: Identify and increase production of occupations in high demand, › Outcome 2: Linking education and the workplace; › Outcome 3: Improving the level of skills in the South African workforce › Outcome 4: Increase access to occupationally directed programmes
Trade Unions	<p>Trade Unions are critical voices of the workers. They lobby workers to participate in skills development initiatives to improve their skills. And advise SETAs on skills demand and supply.</p> <p>Role in relation to NSDP Outcomes:</p> <p>They support;</p> <ul style="list-style-type: none"> › Outcome 7: Encourage and support worker initiated training.
Industry Bodies and Associations	<p>Organised employer organisations provide a collective voice for the industry. They also play an essential role in formalising and standardising operations within the sector.</p> <p>Role in relation to NSDP Outcomes:</p> <p>They provide support to all NSDP outcomes by ensuring that skills development initiatives are implemented and monitored.</p> <ul style="list-style-type: none"> › Outcome 1: Identify and increase production of occupations in high demand, › Outcome 2: Linking education and the workplace. › Outcome 3: Improving the level of skills in the South African workforce › Outcome 4: Increase access to occupationally directed programmes › Outcome 5: Support the growth of the public college system. › Outcome 6: Skills development support for entrepreneurship and cooperative development › Outcome 7: Encourage and support worker initiated training › Outcome 8: Support career development services.
TVET Colleges, CET Colleges and Universities	<p>TVET Colleges, CET Colleges and Universities are a critical component of the skills development ecosystem within the PSET system. They are responsible for implementing the training interventions. They are a critical link between education and the world of work. The Services SETA works closely with the TVET Governance Council and DHET to develop their capacity.</p> <p>Role in relation to NSDP Outcomes:</p> <p>They support;</p> <ul style="list-style-type: none"> › Outcome 2: Linking education and the workplace; › Outcome 3: Improving the level of skills in the South African workforce › Outcome 4: Increase access to occupationally directed programmes. › Outcome 5: Support the growth of the public college system.
Skills Development Providers	<p>They provide skills development training in the labour force, and they are on the supply side.</p> <p>Role in relation to NSDP Outcomes:</p> <p>They support;</p> <ul style="list-style-type: none"> › Outcome 2: Linking education and the workplace; › Outcome 3: Improving the level of skills in the South African workforce › Outcome 4: Increase access to occupationally directed programmes.

1.4. Employer Profile

This subsection provides a profile of the number of employers represented within the services sector and its subsectors, company size, and geographical spread.

1.4.1. Number of Employers Represented

As evidence of the economy's recovery from the devastating impact of COVID-19, the number of employers falling under the Services SETA increased by more than 2,000 from 191,170 to 193,931 in 2023 and 2024, respectively (see Table 5). Positive growth was experienced across all the chambers except the Cleaning & Hiring Services Chamber. Equally disappointing is that the number of employers paying levies reduced slightly from 35,951 to 31,960. However, revenue analysis reveals a positive growth in levy collections/contributions.

Table 5. The Size of the Services SETA Employers by Chamber, Sub-sector and Levy Contribution

Chamber	Skills Levy Contribution		Skills Levy No Contribution		Total	
Cleaning and Hiring Service Chamber	1,122	(3,5%)	4,019	(2,5%)	5,141	(2,7%)
Communication and Marketing Services	918	(2,9%)	3,554	(2,2%)	4,472	(2,3%)
Labour and Collective Services Chamber	864	(2,7%)	3,535	(2,2%)	4,399	(2,3%)
Management and Business Services Chamber	24,938	(78,0%)	130,540	(80,6%)	155,478	(80,2%)
Personal Care Services Chamber	889	(2,8%)	8,027	(5,0%)	8,916	(4,6%)
Real Estate and Related Services Chamber	3,229	(10,1%)	12,296	(7,6%)	15,525	(8,0%)
Grand Total	31,960	(16,5%)	161,971	(83,5%)	193,931	(100%)

Source: Services SETA Financial Report, 2024

Trends analysis over the last five years indicates that the services sector is consistently growing at a rate of between 2% and 5%. Ironically, growth is more significant than GDP growth and employment trends. These trends indirectly confirm the challenging economic environment that South Africa is facing.

1.4.2. Company Size

The Management and Business Services Chamber continues to be the leading entity in terms of size, followed by the Real Estate and Related Services Chamber. Table 6 provides a breakdown of employer affiliations by chambers, subsectors and levy payment status.

Table 6. Profile of Services SETA Employers by Chamber, Sub-sector, Size and Levy Contribution

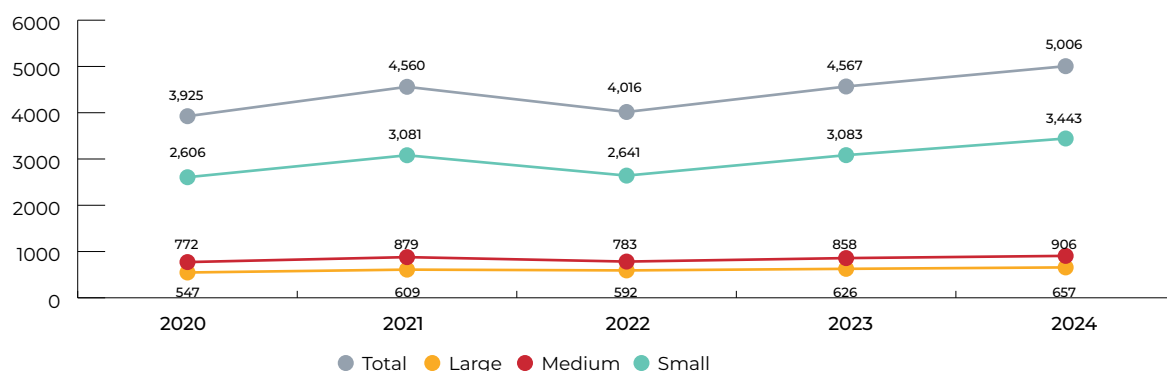
Chamber	Grand Total	Not Paying Levy				Total	Levy Paying				Total
		Large	Medium	Small	Unknown		Large	Medium	Small	Unknown	
Cleaning and Hiring Service Chamber	5,141	52	120	2,520	1,327	4,019	10	28	465	619	1,122
Cleaning Services	2,290	36	66	1,131	600	1,833	8	18	158	273	457
Domestic Services	39	0	0	19	8	27	0	0	7	5	12
Hiring Services	2,505	16	51	1,278	619	1,964	2	9	264	266	541
Household Services	307	0	3	92	100	195	0	1	36	75	112
Communication and Marketing Services	4,472	9	15	2,422	1,108	3,554	7	6	400	505	918
Contact Centres Services	76	1	1	28	15	45	4	0	11	16	31
Marketing Services	4,129	7	13	2,231	1,037	3,288	3	6	361	471	841
Postal Services	267	1	1	163	56	221	0	0	28	18	46
Labour and Collective Services Chamber	4,399	100	209	1,880	708	2,897	21	21	382	440	864
Collective Services	880	2	2	421	213	638	0	3	139	100	242
Labour Recruitment Services	3,519	100	209	1,880	708	2,897	21	18	243	340	622
Management and Business Services Chamber	155,478	460	1,211	107,921	20,948	130,540	65	227	17,261	7,385	24,938
Business Services	155,260	460	1,210	107,853	20,879	130,402	64	225	17,217	7,352	24,858
Project Management Services	218	0	1	68	69	138	1	2	44	33	80
Personal Care Services Chamber	8,916	9	13	495	2,908	8,027	2	3	364	520	889
Beauty Treatment Services	952	1	4	455	258	718	2	2	91	139	234
Fashion	11	0	1	6	3	10	0	0	1	0	1
Funeral Services	98	0	0	26	36	62	0	0	13	23	36
Hair Care Services	7,855	8	8	8	2,611	7,237	0	1	259	358	618
Real Estate and Related Services Chamber	15,525	16	38	8,439	3,803	12,296	7	10	1,434	1,778	3,229
Real Estate Services	15,525	16	38	8,439	3,803	12,296	7	10	1,434	1,778	3,229
Grand Total	193,931	646	1,606	124,098	31,015	161,971	112	295	20,306	11,247	31,960

DHET Provided Employer File, 2024

1.4.3. Participation in WSP/ATR Submissions

Overall, there has been a gradual increase in the number of employers submitting WSPs/ATRs, as demonstrated in Figure 2. The most significant increase has been among small employers. These trends lend credence to the argument that small and medium enterprises have far greater prospects of creating employment opportunities as they are still growing compared to large enterprises, which may have reached the plateau of their growth cycle.

Figure 2: WSP/ATR Submissions, 2020-2024



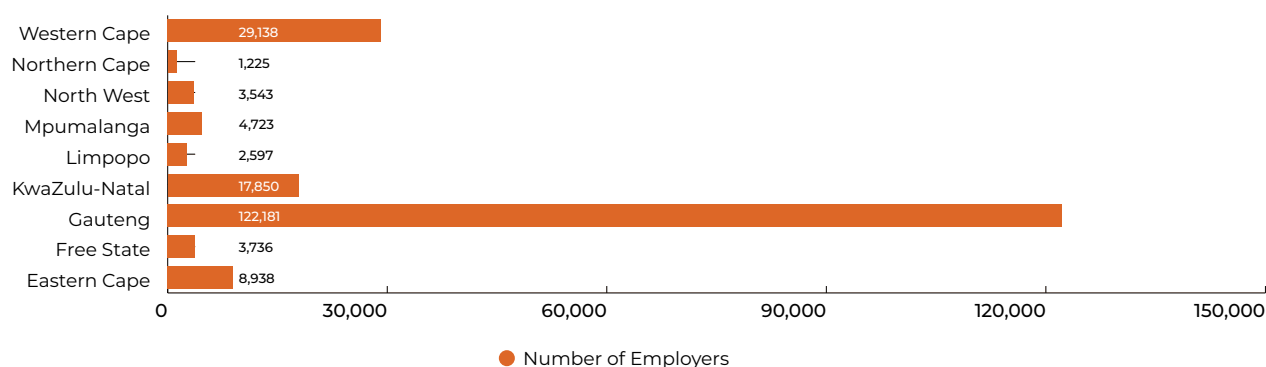
Source: Services SETA WSP/ATR Data, 2020-2024

This growth is also a testament to the success of the Chamber Operations' initiatives to promote participation by levy-paying employers in submitting WSPs/ATRs to expand workplace access to skills development opportunities.

1.4.4. Geographical Spread

The Services SETA employers are primarily concentrated in the cosmopolitan provinces of Gauteng, Western Cape and KwaZulu-Natal – see Figure 3.

Figure 3. Services SETA Employers by Province



Source: Services SETA Employers File, 2024

1.5. Labour Market Profile

This section profiles the services sector in relation to economic performance in terms of the labour market and unemployment rate. It further describes how employment in the sector has evolved at provincial or sub-sector levels and the number of people employed within the sector in terms of their race, gender, age, and disability characteristics. This is further explained in relation to sub-sectors in which people work, where employees are geographically based, the broad occupational groups within the sector most people belong to, and key skills issues. Data used is derived from Stats SA's QLFS and Quarterly Employment Surveys (QES), as well as Services SETA's WSP and ATR 2023/24.

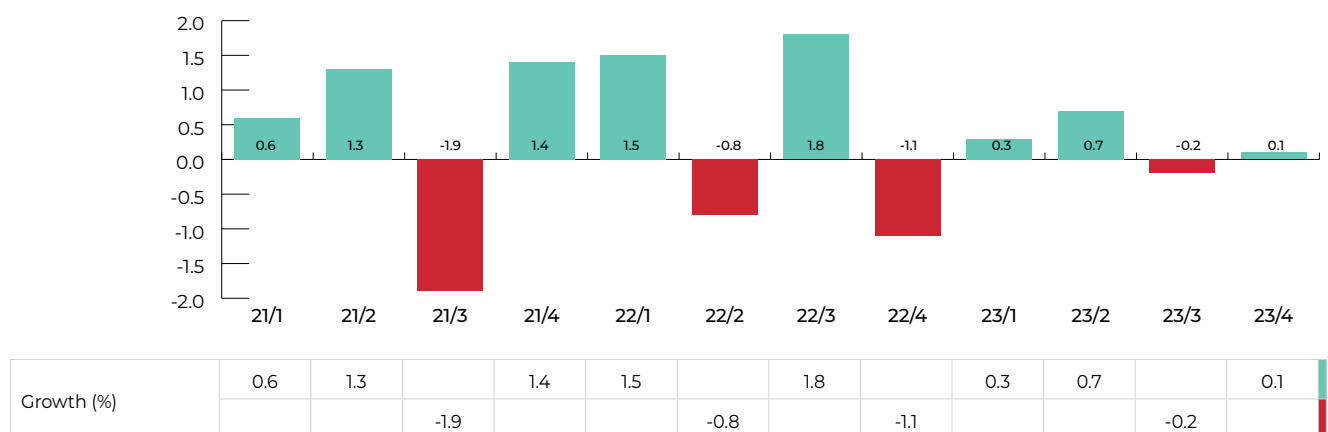
1.5.1. Economic Performance

The section on the economic performance of the services sector provides an account of the sector's contribution to the economy compared to the rest of the economic sectors, describing how the sector is currently performing and its outlook. The chapter then focuses on the employer profile and the labour market profile. Both are significant in providing a detailed understanding of the nature of employers and employment in the sector. It is important to emphasise that the Services SETA's scope of coverage overlaps with several industries as defined by the WTO and Stats SA.

1.5.1.1. Growth in GDP

Analysis of the services industries that fall under the Services SETA purview includes Agriculture, Mining, Manufacturing, Electricity, Construction, Trade, Transport, Finance, Government, and Personal Care. In reference to the services sector in this Sector Skills Plan, the subsectors mentioned above are included. Figure 4 reflects the GDP growth trends and industry contributions.

Figure 4. Growth in GDP, Q1 2021 - Q4 2023 (%)

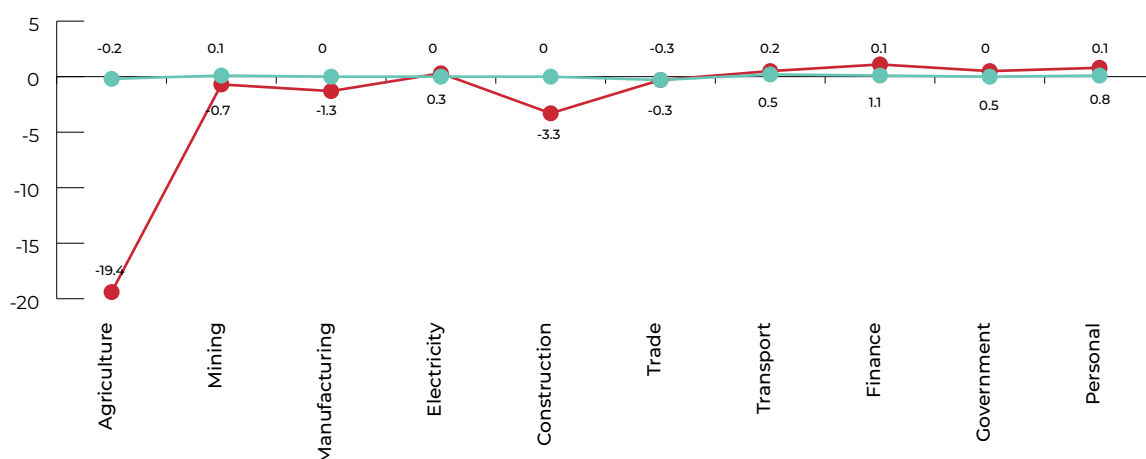


Source (Stats SA, 2024a)

1.5.1.2. Contribution to GDP

As Figure 4 illustrates, the South African economy has yet to recover from the effects of the COVID-19 pandemic fully. Despite the promising signs of recovery with the easing of lockdown regulations, economic growth as measured in GDP terms has yet to fully recover. The South African economy grew by 0.1% in Quarter 4 of 2023, following a decline of -0.2% in Quarter 3 of 2023. Recent global events, such as high inflation rates and widespread increases in interest rates, are the clearest indicator that the economy is in for a long ride from a recovery point of view. As Figure 5 illustrates, the services sector has not been necessarily spared from this harsh reality. On average, GDP contribution counted for less than a percentage point. This signifies the need to promote innovation in the services sector. Investment in skills development is critical in driving innovation. Working with industry partners, the Services SETA will continue to invest in research and development to inform relevant innovations for the services sector.

Figure 5. Contributions to GDP, Q4 2023 (%)

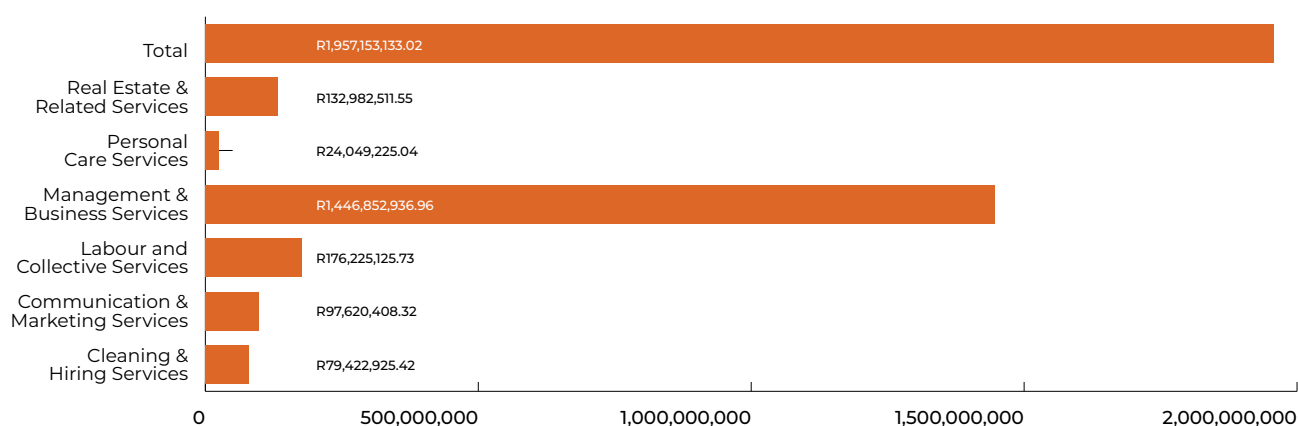


Source (Stats SA, 2024a)

Regarding the industry's performance, the transport sector performed better, followed by personal care, finance and mining. The declines were in the trade and agriculture sectors.

Analysis of employer contribution by chamber reveals that the Management and Business Services Chambers lead other chambers, followed by the Labour and Collective Services Chamber – see Figure 6. The total revenue was around R 1,957,153,133,02.

Figure 6. Services Sector Employer Levy Contribution by Chamber



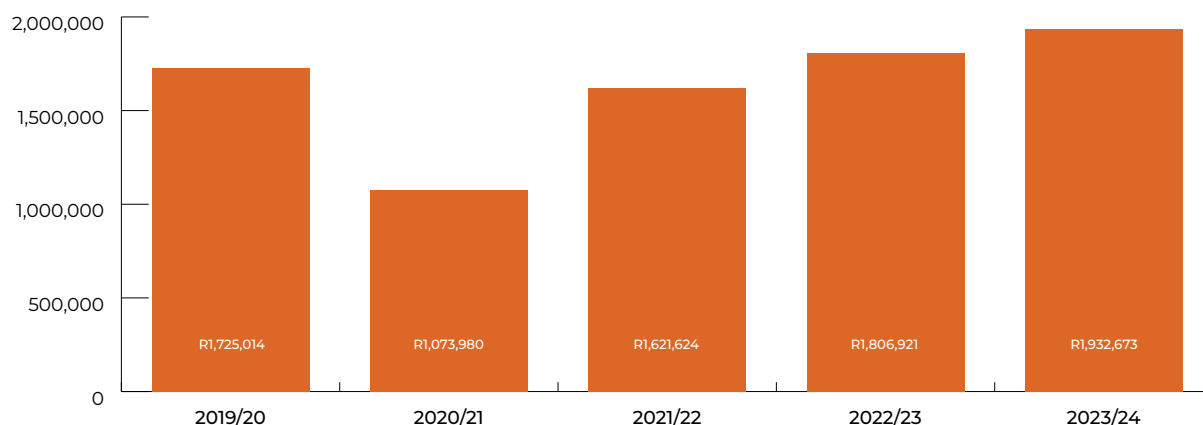
Source: Services SETA Financial Reports, 2024

Revenue at the Services SETA has also steadily increased over the last five years, alongside growth in the number of employers affiliating with it, as demonstrated below.

1.5.2. Skills Levy Revenue

In line with the growth in the number of companies belonging to the Services SETA, revenue generated through the skills development levy has proportionately increased over the years, as illustrated in Figure 7. There was a decline in 2020/21 due to the skills levy amnesty introduced in 2020 to help companies survive the effects of COVID-19. However, the upward trends continued after that.

Figure 7. Skills Development Levy Revenue, 2019/20-2023/24



Source: Services SETA Annual Reports, 2019/20-2023/24

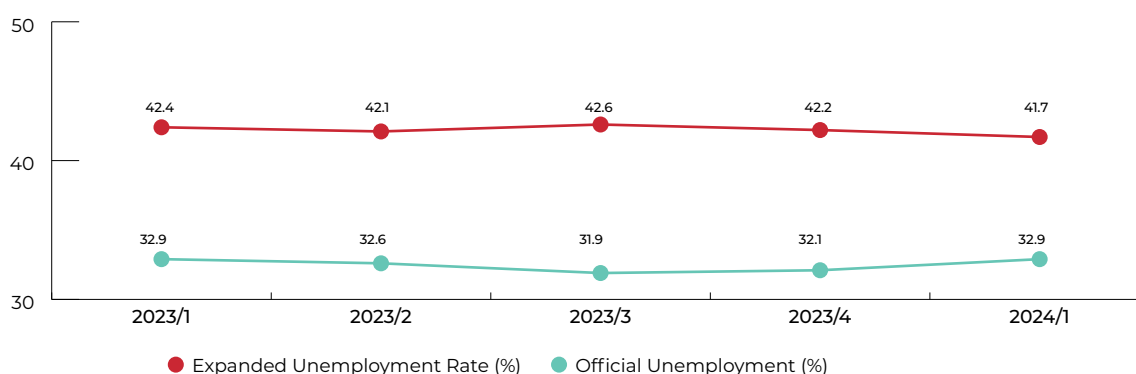
1.5.3. Employment Situation

The section below looks at employment by sector, the situation of the youth not in education, employment or training (NEET), and the demographic profile of the employed workforce.

1.5.3.1. Employment by Sector

In line with the falling economic growth, unemployment levels have persistently increased in the last two years. As depicted in Figure 8, the expanded unemployment rate is higher than the official unemployment rate. The official unemployment rate increased by 0.2% to 32.1% in Q4, 2023 compared to Q3, 2023. The expanded unemployment rate decreased by 0.7% in Q4, 2023, compared to Q3, 2023. The official unemployment rate for Q1 2024 stands at 32.9%, an increase of 0.8 of a percentage point in Q1 2024 compared to Q4 2023.

Figure 8. Unemployment rates, Q1 2023 - Q1 2024

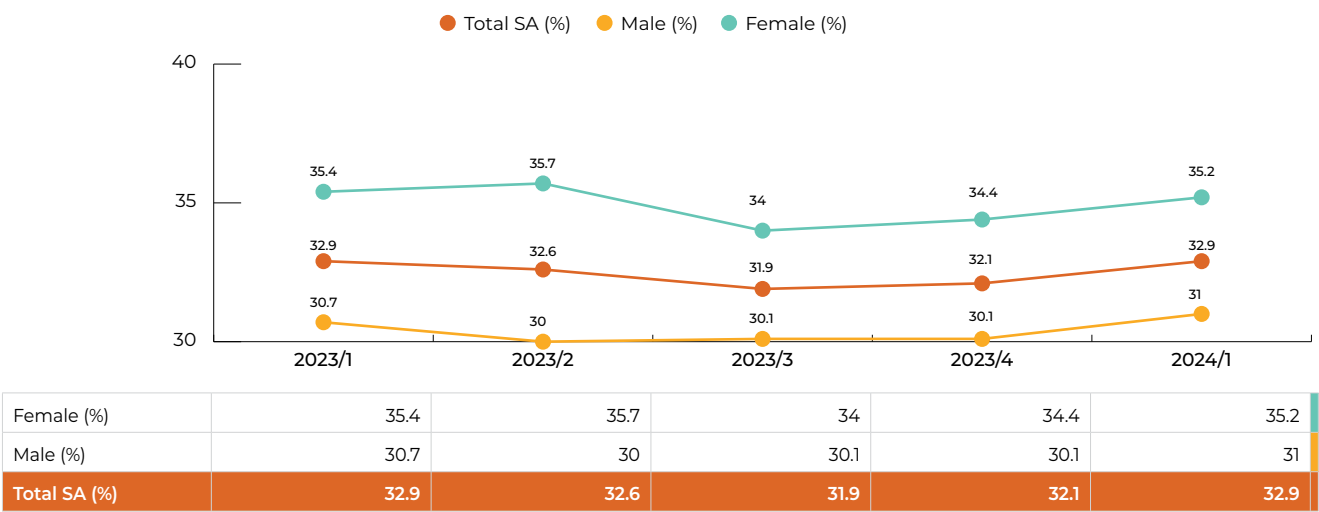


Source: Statistics South Africa (2024a)

Precarious jobs, predominantly in the informal sector, are hardest hit. Compared to the same period last year, the expanded unemployment rate decreased by 0.5 percentage points in Q1 2024. More work is needed to grow the economy. Skills development interventions play a central role in this regard by ensuring an adequate supply of a skilled workforce.

The Services SETA is monitoring these developments carefully to ensure an appropriate response from a skills development perspective. Increasingly, special attention is paid to youth and females, given the disproportionate impact that mostly endure, as Figure 9 demonstrates.

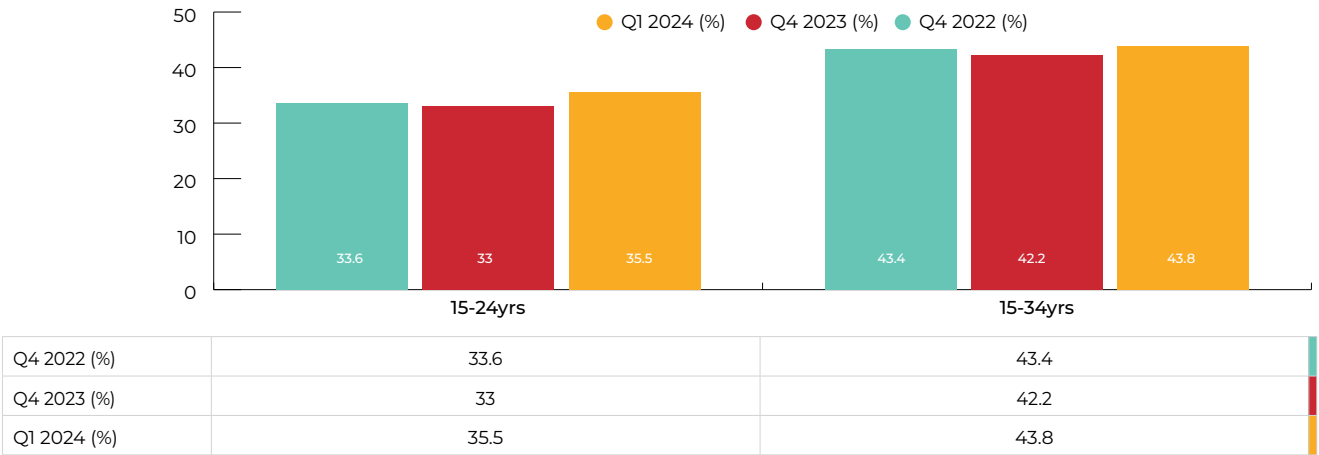
Figure 9. Unemployment by gender, Q1 2023-Q1 2024



Source: Statistics South Africa (2024a)

Regarding unemployment by gender, women still bear the harshest brunt. In Q4 2023 alone, unemployment among women was more than 3.9% of men. In Q1 2024, there is a 4.2% gap in official unemployment between the sexes—see Figure 9. In addition, women, youth, and people with low levels of education are disproportionately affected by unemployment. Unemployment work seekers with no matric accounted for more than half of the total unemployment, followed by those with matric.

Figure 10. NEET rates for youth 15-24 and 15-34 years Q1, 2024



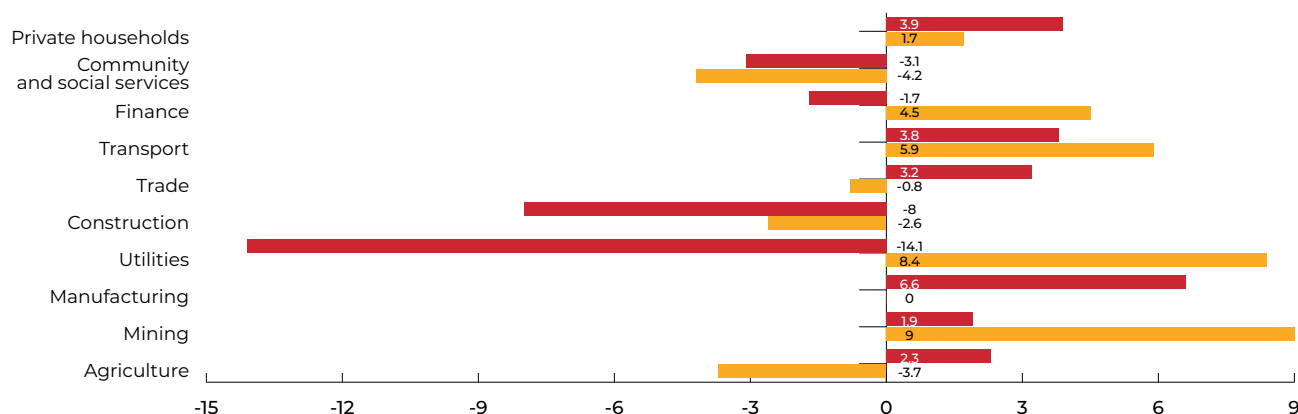
Source: Statistics South Africa (2024a)

Unemployment among youth, especially those who are not employed or have no education and training, is equally concerning. The Stats SA distinguishes between the NEET aged 15-24 and 15-34. The stats, see Figure 10, indicate that the latter category of NEET is particularly affected by unemployment. In Q4 2023, close to half of this labour force was unemployed. The overall NEET rate

for 15-24 years increased by 2.5 of a percentage point in Q1 2024 compared to Q4 2023. And as is the case with the general unemployment trends, the numbers keep rising at a worrying rate.

Notwithstanding, the informal sector and private households contribute a sizable portion of the employed workforce, as illustrated in Figure 11. This is the industry that is conspicuously dominant in the services sector. Aside from the difficult economic conditions that the sector faces, the services sector remains the largest backbone of employment in South Africa. Key industries with a higher concentration of services sectors, such as Private Households and Finance, account for a substantial number of the employed labour force. However, there is a concerning and consistent decline in employment in community and social services.

Figure 11. Employment by industry, in thousands Q4 2023-Q1 2024



Source: Statistics South Africa (2024b)

Employment growth was primarily seen in the Trade (109,000), Manufacturing (99,000), and Private Households (44,000) sectors. On the other hand, the most significant job losses occurred in the Services and Construction industries.

The section below provides the demographic profile of the labour force in the services sector. The information is gleaned from the QLFS and WSP/ATR data. The latter is based on the submission of more than 5,006 employers participating in workplace training. It provides a useful benchmarking against the overall sector per Stats SA data.

1.5.3.2. Employees' Demographic Profiles

a. Gender

International trends on the demographic features of the services sector employees point to bias towards men (Haroon et al., 2016). This is because industries such as manufacturing, transport, storage, government services, communication and business are traditionally dominated by men (Ibid). The Quarterly Labour Force Survey (Stats SA, 2020a) indicates that 56% of the labour force in the services sector is comprised of men, Table 7, whilst the Services SETA WSP/ATR (2023/24) indicates that 47% of the labour was male and also demonstrates that the Services SETA is employing more woman (53%) than male.

Table 7. Employment by Gender, Race and Age in the services sector

Gender	Services SETA (Q1,2023)		Services SETA (Q1,2024)		National (Stats SA) (Q1,2023)		National (Stats SA) (Q1,2024)	
Male	393,270	(47%)	361,808	(46.5%)	1,453,534	(62%)	1,337,251	(62.40%)
Female	451,895	(53%)	415,743	(53.47%)	875,716	(38%)	805,658	(37.60%)
Total	845,165	(100%)	777,551,4		2,329,250.0	(100%)	2,142,909	(100%)
Race								
Black African	543,125	(64%)	499,675	(81.81%)	1,777,557	(76%)	1,635,352	(76.31%)
Coloured	79,519	(9.4%)	73,157	(11.98%)	200,115	(9%)	805,658	(8.59%)
Indian/ Asian	43,372	(5.1%)	23,482.1	(3.84%)	66,854	(3%)	61,505	(2.87%)
White	175,465	(21%)	14,037	(2.30%)	284,724	(12%)	261,946	(12.22%)
Other	484	(0.1%)	445,28	(0.07%)				
Total	845,165	(100%)	610,796		2,329,250.0	(100%)	2,142,909	(100%)
Age								
<34yr	395,197	(47%)	43,315	(9.47%)	826,512	(35%)	760,391.3	(35.48%)
35-54yr	405,267	(48%)	372,846	(81.53%)	1,320,989	(57%)	1,215,311	(56.71%)
>55yr	30,143	(3%)	27,732	(6.06%)	181,697	(8%)	167,162	(7.80%)
Unknown	14,558	(2%)	13,393	(2.93%)				
Total	845,165	(100%)	457,286	(100%)	2,329,250	(100%)	2,142,864,30	

Source: Services SETA Mandatory Grant Data, May 2024, Statistics South Africa, 2023b

b. Race

Regarding the racial composition of the services sector workforce, almost 79.2% comprises Africans. This is followed by Whites and Coloured people at 10.2% and 8.4%, respectively. These trends are in line with the demographic features of the South African population. The only downside is that most of the population is concentrated in low-skill and low-paying jobs.

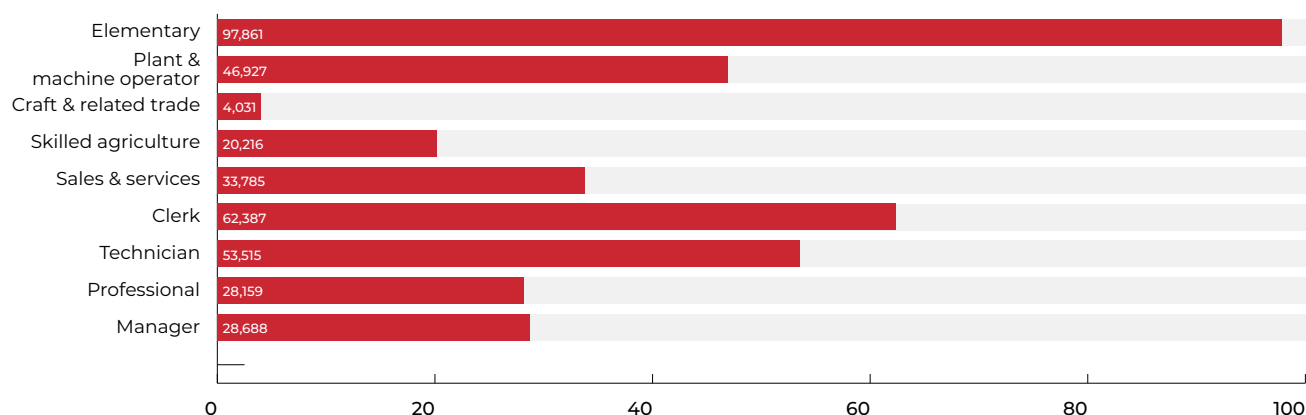
c. Age

According to Stats SA data, most employees in the services sector (57%) are between 35 and 54 years old. These trends align with the WSP/ATR data, which indicates that 48% of the total labour force is between the ages of 35 and 54. This implies that this sector tends to attract a mature workforce.

d. Occupational Level

Employment by level of occupation indicates that majority of employees are employed at elementary level followed by clerical level. This is in line with level of education outlined below.

Figure 12. Employment by occupational level

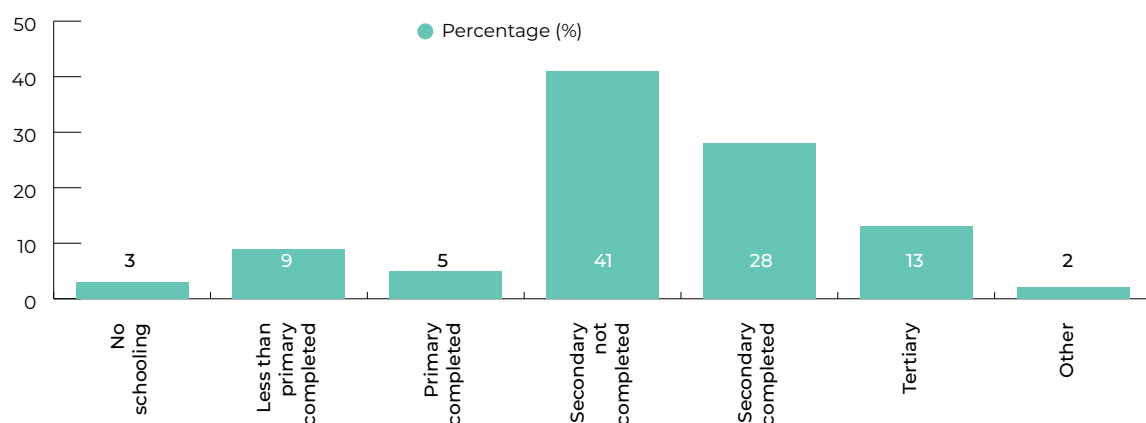


Source: Services SETA Mandatory Grant Data, May 2024

e. Level of education

Majority of employees within the service sector have reach some secondary education but never completed, followed by those that completed secondary education. This implies that the Services SETA must aim high to uplift these employees.

Figure 13. Educational level



f. Disability

According to the WSP/ATR (2023/24), about 3% of employees had some form of disability. The most common forms of disabilities mentioned were sight and physical disabilities. The rest of the disabilities indicated were others or multiple.

1.5.4. Services Sector Occupational Trends

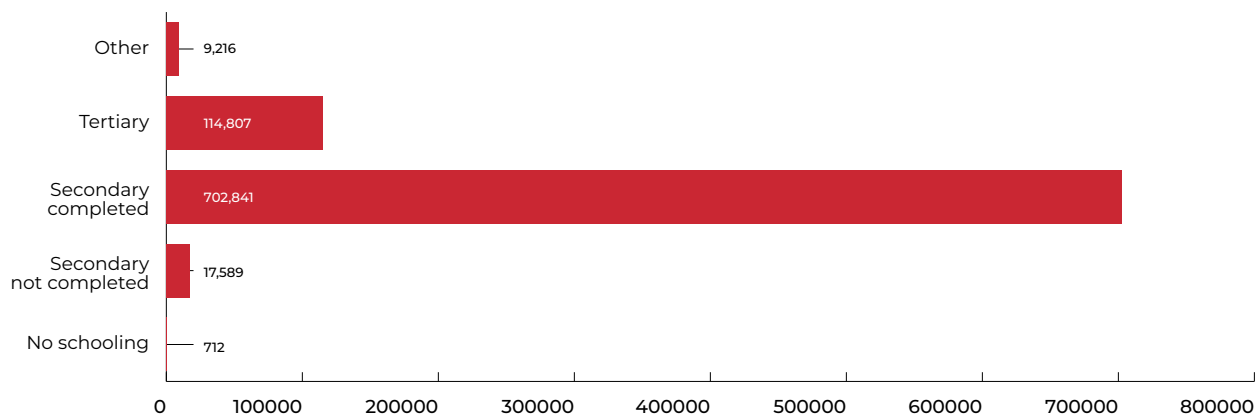
a. Occupational Category

Data from Stats SA indicates that in 2024, most of the workforce in this sector was employed at the level of domestic workers (51%), followed by salespersons (24%). These developments suggest that the Services SETA should ensure that there are sufficient qualifications at the higher NQF level to ensure the relevance of training interventions. As will be discussed in Chapter 4, several initiatives are underway to establish partnerships with universities to help strengthen the pipeline of skills supply.

b. Levels of education

Regarding the level of education, the WSP/ATR data indicate that some of the workforce has not completed secondary education (3%), with most having completed secondary education (83%) – see Figure 14. Only 13% of the workforce had tertiary education.

Figure 14: Services Sector Employees by Level of Education



Source: Services SETA Database, 2024

Of particular interest in the analysis of the educational qualifications of the services sector labour force is that the number of people who have not completed schooling is decreasing, whilst the number who have completed secondary education is steadily increasing.

c. Working conditions

Analysis of WSP submissions reveals that many workers are employed permanently. About 67% of the workforce was employed permanently, and the remainder were temporarily employed. Temporary staff include TES assignees, interns, and leadership students.

1.6. Conclusion

Chapter 1 demonstrates that South Africa's economy has stagnated overall. Analysis of GDP growth quarter-to-quarter beginning 2023, Q1 to 2024, Q1 reveals an uneven growth pattern wherein some quarters register negative growth while others record positive growth. However, even where positive growth occurs, the growth rate is less than the negative growth

in the previous quarter and far less than the rate required to place South Africa in a comfortable space.

Unemployment rates follow a similar pattern—that is, an uneven decline. Adversely affected by unemployment are youth and women. The plight of youth NEET continues to worsen yearly. This calls on the Services SETA to adopt a targeted approach to assist these vulnerable sections of the population. Interventions to be considered include digital skills and work placement of graduates (internship) in partnership with the industry and supporting the government's programme to promote the absorption of youth in employment.

Analysis of Stats SA reveals that most of the labour force in the services sector possess the lowest level of education and is concentrated in the elementary occupational levels. This implies that the Services SETA needs to pay special attention to this workforce category.



DEVELOP & GROW

2 KEY SKILLS CHANGE DRIVERS

2.1. Introduction

This chapter presents the key skills change drivers identified as influencing the demand for and supply of skills, either positively or negatively, in the services sector. It will outline the implications for skills development in the sector. Key skills change drivers were identified through primary and secondary data. The data sources include stakeholder consultations and desktop research on megatrends in the services sector.

2.2. Factors affecting skills demand and supply

The Services SETA has identified five major change drivers impacting skills within its six Chambers: Technology and Digitisation, Economy Performance, Legislation, Globalisation, and the Green Environment. We also reflected on occupational changes as a result of changes in technology and as a result of the changing nature of work over the past 5 years.

2.2.1. Occupations affected by changes in Technology

The future of world of work is changing as technology rapidly advances towards the latest trends, such as automation and artificial intelligence, which will alter traditional roles, leading to some jobs becoming absolute. To prepare the industry for evolution of 4IR, modules on ICT have been incorporated in the new realigned/developed occupational qualifications. Cyber security was identified as the major skill that was required to mitigate against cyber-crimes, this skill was listed as one of the Services SETAs' priority occupations in the last two Sector Skills Plans (i.e. 2023 and 2024). We have witnessed changes in certain

occupations due to changes in technology, namely;

1. Call/Contact centre

The industry is mainly operated using automation. Customer queries/enquiring are speedily resolved by a robot rather than the human factor. The automation implemented in this industry is slowly replacing humans, leaving them out of the market. This industry is competing well globally. Our call centre industry is equipped with information technology-related skills and is among the most advertised jobs in South Africa. We have realigned the contact centre qualifications to include the ICT module.

To prepare the industry for evolution of 4IR, modules on ICT has been incorporated in the new realigned/developed occupational qualifications. Cyber security was identified as the major skill that was required to mitigate against cyber-crimes, this skill was listed as the SSETAs' priority occupations in the last two Sector Skills Plans (i.e. 2023 and 2024).

2. Marketing and Advertising

Traditional ways of advertising and marketing businesses/products have evolved into online trading. This has been seen as an effective way of conducting business. Online purchases make life easier for consumers and are seen as a favourable way to shop as they also save time. Marketers and Advertising occupations mostly rely on platforms like social media to reach wider consumers, including the youth. Digital marketing is an emerging occupation within the marketing sector.

Table 8 below lists the new skills change drivers and their implications for skills planning for the 2025-2030 SSP.

Table 8. Change Drivers and Implications for Skills Planning

Change Driver	Description	Implications for Skills Planning	
		Demand-related implications	Supply related implications
Technology and Digitisation	The impact of technology and digitisation on the services sector transcends all industries in varying ways. At the core of this impact is the need to do business differently, leveraging on opportunities presented by technology and digitisation. There are fears that 4IR will take over multiple tasks and leave minor room for human interaction. The Services SETA conducted a study on future skills and 4IR. This study revealed the need to upskill and reskill the current workforce to avoid possible job losses. This implies changes in occupations, jobs, and tasks for the workforce. Some jobs may become obsolete and can be replaced with robotics.	We have seen a significant impact of Artificial Intelligence (AI) systems in the call/contact centre industry. This includes the use of AI techniques to respond to customer queries and provide speedy service. In the sales and marketing industries the use of social media, online advertising including, online purchasing technology is already being used by many businesses. The sales and marketing function is the backbone of running a successful business. In the advertising and public relations industries there is a movement towards the increased use of digital communication in editing and post-production tasks, which will likely impact the human resources required. The impact of electronic mail has threatened the sustainability of the postal sector leading to it being irrelevant in the new millennium. As a result, there is a growing demand for new skills aimed at addressing the relevance of industries that are affected by digital transformation.	This therefore calls for the need to develop and implement tailored Information Communication Technology (ICT) related programmes for the services sector. The Services SETA has already built and piloted the e-learning platform for certain programmes.
Economic Performance	The decline in economic growth has had a knock-on effect on employment as many companies closed or were forced to lay off staff to reduce expenditure. Several electricity disruptions have affected the sector profoundly as it makes the cost of running a business to be slightly high as the sector seeks alternative sources of energy, such as renewable energy in particular solar power. The services sector has also been affected by the increase in fuel prices. Climate change and other forms of environmental degradation have already caused net negative impacts on jobs and work productivity. It is expected that these impacts are likely to become more pronounced in the coming decades.	The Services SETA will explore partnerships with industries in the renewable energy sector to ensure that the Services SETA is able to ensure relevant skills applications are supplied to support these, particularly from the haircare, funeral and businesses services sub-sectors. The services sector will require retraining and/or upskilling of staff. With the country facing an intense energy crisis, the services sector has been impacted hard as alternative sources of acquiring energy had to be utilised to mitigate against business interruptions. Solar installation suddenly becomes a critical skill to learn.	There is an urgent need to develop digital skills related occupational qualifications and foster closer collaborations with other SETAs.

Change Driver	Description	Implications for Skills Planning	
		Demand-related implications	Supply related implications
Globalisation	As higher levels of integration due to globalisation continue, businesses in most sectors are experiencing higher levels of competition. In addition, emerging and developing economies are seen as new engines of growth as companies continue to look for new locations for business investment. Recent real GDP growth projections support this notion.	The Hair Care industry tends to be highly informal, and entry into business is not controlled. Employers in this subsector stated that products were being distributed in the African market, which has been banned in Europe and North America. Trends observed in formal hair care companies are that there was a decrease in the number of young new entrants and an increase in the availability of consumer products and hair care practitioners from across the African diaspora operating in South Africa.	Regarding implications for skills planning, there is a growing demand for qualified hairstylists in the Afro-hair industry. The SETA will need to roll out skills development initiatives which are aligned with the international standards.
Legislation	This is one of the major change drivers in the property sector with the introduction of the Property Practitioners Regulatory Authority (PPRA) as a statutory body to regulate the sector which also includes a skills development element.	The Services SETA must align its skills development training programme with the mandate of the PPRA. With the phasing out of the historically registered qualifications, the property sector has to develop new occupational qualifications and they will have to incorporate the requirements of the PPRA. The property sector will have to be re-skilled and up-skilled to be aligned with the new skills requirement of the sector.	The Services SETA will have focussed skills interventions, projects and programmes aimed at the transformational imperatives i.e. youth, women, and persons with disabilities. The SETA working together with industry experts has to fast track the development/realignment of historically registered qualifications to occupational qualifications.
Green Environment	The businesses in the services sector are becoming more conscious of protecting the environment. The legislations and consumer pressure are driving the demand to eco-friendly products. The sector is leaning towards demonstrating that they are environmentally friendly in conducting their business and in the products and services they offer.	The subsectors that are mostly affected by this change driver is the haircare, funeral and the cleaning industries. The NDP 2030 Vision states that, by 2030, South Africa will become a low-carbon economy meaning that we will have to start now to produce more environmentally friendly products.	The subsectors affected by this change driver will need to be equipped with new skills on how to produce the products that won't harm the environment.

2.3. Policy Frameworks affecting skills demand or supply in the sector

This section looks at the major national plans and strategies that affect the services sector, emphasising on the implications for skills planning. Below is a reflection on the 3 National Strategies and Plans and on how we have responded to the skills implications of these over the past 5 years through our own interventions.

1. National Skills Development Plan 2030

The Services SETA has implemented various interventions to address the NSDP 2030 outcomes. Most of the services sector comprises SMMEs; we partnered with the Department of Small Business and Development to implement skills development training aligned to outcome 6: skills development support for entrepreneurship and cooperative development. To date, we have trained about 3,326 beneficiaries. Other outcomes are also implemented

through our Annual Performance Plan (APP) and special projects. We conduct yearly learner tracer studies to measure and monitor our impact on our beneficiaries.

2. National Development Plan 2030

This strategy ensures that implementation occurs through partnerships as the effective delivery model. This includes partnerships with municipalities and TVETs/CET Colleges working with the industry to deliver skills development interventions to communities, including rural areas.

3. White Paper on Post-School Education and Training

The Services SETA has forged strategic partnerships with TVET Colleges and Universities to ensure improved access to quality learning programmes, increased relevance of skills

development interventions and built strong partnerships between stakeholders and social partners. The alignment of historical qualifications to occupational qualifications has enhanced the collaboration between the Services SETA, SDPs and the industry. Skills implications are easily addressed when the industry is in the driving seat, as a shortage of skills can be identified and addressed efficiently. We also made available discretionary grant funding to entities to implement the learning interventions.

The Services SETA values the significance of strong alignment between its programmes and the national strategies. Table 9 provides a brief discussion of each national strategy and policy.

Table 9. National Strategies/Policies and Implications for Skills Planning

National Strategies and Plans	Description	Implications for Skills Planning	
		Demand-related implications	Supply-side related implications
National Skills Development Plan 2030	The NSDP 2030 aims to ensure that the country has adequate and high-quality skills that contribute towards economic growth, employment creation and social development. The Plan outlines key objectives for skills development in the post-school education and training in South Africa. This will be realised through 8 Outcomes.	To meet the demand of improving the level of skills in the service sector workforce. The SETA will have to collaborate with industry and SDPs.	The main task of the Services SETA is the implementation of the NSDP 2030 which seeks to identify and increase the production of occupations in demand, link education and the workplace, improve skills levels in the workforce, and increase access to occupationally directed programmes. Through the SSP, the Strategic and Annual Performance Plans, the Services SETA will factor these outcomes into its operations.
National Development Plan 2030	The NDP 2030 identifies skills development and education as a catalyst for economic development and growth. The NDP acknowledges that education, training, and innovation are not the only solutions to common national problems. Rather, education is critical in building national capacity to solve problems.	The services sector needs to enhance their quality of education, skills development, and innovation and this will lead to reduction of inequality, poverty, and unemployment.	The Services SETA has an integral role to play in terms of using the SIPs as a training platform. As the SIPs are being implemented, they will invariably interface with project management services, recruitment services, cleaning services, household services, collective services such as dispute resolution and wage negotiation services, business services and real estate services.

National Strategies and Plans	Description	Implications for Skills Planning	
		Demand-related implications	Supply-side related implications
White Paper on Post-School Education and Training	The White Paper sets out strategies to improve the capacity of the post-school education and training system to meet South Africa's needs. It outlines policy directions to guide the DHET and the institutions for which it is responsible in order to contribute to building a developmental state with a vibrant democracy and a flourishing economy.	A demand for quality learning opportunities in both private and public institutions of learning and also bring education and training closer to the communities.	The Services SETA has forged strategic partnerships with TVET Colleges and Universities to ensure improved access to quality learning programmes, increased relevance of skills development interventions and built strong partnerships between stakeholders and social partners.
Economic Reconstruction and Recovery Plan	The ERRP details priority interventions to ensure the inclusive and sustainable recovery of the economy following the COVID-19 pandemic. The Plan sets out a reconstruction and recovery plan for the South African economy aimed at stimulating equitable and inclusive growth. Skills development is highlighted as one of the key enablers for the successful implementation and realisation of the Plan.	The ERRP highlights the need to contribute to the prevention of job losses through the expansion of reskilling and retraining of workers. This strategy is demand-led as it focuses on SETA skills training on addressing the impact of COVID-19.	The Services SETA has identified scarce and critical skills prioritised by the Department for inclusion in this SSP update. These include Call or Contact Centre Manager, Inbound Contact Centre Consultant, Outbound Contact Centre Consultant, Call or Contact Centre Agent. These lists of scarce and critical skills have been incorporated into hard-to-fill vacancies, skills gaps, and priority lists for implementation through bursaries in the APP.
Presidential Youth Employment Intervention	The Presidential Youth Employment Intervention is South Africa's most comprehensive effort to address the crisis of youth who remain outside of employment, education, and training. It is a campaign that calls upon all stakeholders to join forces to address youth unemployment.	The PYEI contributes to developing an agile workforce through demand-led skilling approaches and improved responsiveness of the skilling system. This initiative seeks to improve transitions from education to work. Within this framework, the PYEI contributes to actions that can benefit young people in the short term, while longer-term changes in the system take effect.	The Services SETA is committed to this initiative by providing Internship opportunities to TVET college, CET college and university graduates. Each year, the Services SETA sets a target to contribute to the Presidential and DHET's target of placing these graduates.
Medium-Term Development Plan 2025-2030	This represents the development plan for the 7th Administration. Key priorities include: (i) Inclusive growth and job creation; (ii) Reduce poverty and tackle the high cost of living, and (iii) Build a capable, ethical and developmental state. The DHET has identified eight outcomes across these three strategic priorities to support in the next five years with clear medium-term targets	To support the medium-term development plan, the Services SETA will priorities digital, green, business process optimization, contact centres and artisan-related skills	Working with the industry, the Services SETA will identify occupational qualifications required for development and strengthen the capacity of supply through training provider accreditation, assessment centres and workplace approvals.

2.4. Conclusion

This chapter identified and analysed the factors affecting the skills demand and supply. Technology and Digitisation, Legislation, Economy Performance, Green Environment and Globalisation were identified as the significant change drivers impacting skills demand and supply in the services sector. The implementation of skills planning for each change driver were outlined. Implementing the proposed interventions will require the Services SETA to work collaboratively with other SETAs, SDPs, government departments and industry stakeholders by either developing or managing joint projects. Furthermore, most of the change drivers discussed in this chapter will be addressed by upskilling the current workforce.

In addition, alignment to national priorities and specific interventions to address them have been demonstrated. The Services SETA has taken the initiative to support National Plans and Strategies, the ERRPSS, and the presidential YES (Youth Employment Scheme) projects. These strategies will be supported through learnerships, skills programmes, internships, and bursaries.

Finally, we will also support learners in rural areas without neglecting our transformation priorities.

SECTOR SKILLS PLAN

2025 – 2030



3 SECTORAL SKILLS DEMAND AND SUPPLY ANALYSIS

3.1. Introduction

This chapter focuses on occupational shortages, skills gaps, and skills supply within the services sector, as well as methods and processes followed in compiling the Services SETAs' priority list. Regarding occupational shortages and skills gaps, the chapter looks at what occupations are hard to fill, how many of these hard-to-fill occupations exist and why these occupations are hard to fill. In addition, significant skills gaps that exist in the services sector are investigated by occupational levels.

Exploring the skills supply follows this and covers the state of education and training provision, the supply problems employers experience with the current labour market and interventions planned to address supply-side challenges. The last section presents the methods and process followed in compiling the Sectoral Priority Occupations and Interventions (SPOI) list and Emerging occupations, including interventions and quantities that the Services SETA will implement to address occupational shortages, skills gaps, and labour supply challenges.

In drafting this chapter, the research methods employed were informed by a combination of both quantitative and qualitative research techniques. The quantitative approach includes the collection and analysis of WSP/ATR data submitted by employers, especially the vacancy trends and planned interventions, data sourced from the DHETs' Higher Education Information Management System (HEMIS)/Sector Education and Training Management Information System (SETMIS) data. The qualitative methods employed include stakeholder consultation workshops and an online employer survey to corroborate findings across multiple sources.

The relevant qualitative findings, where available, have been compared to the quantitative results and are presented in the following sections.

3.2. Occupational shortages and skills gaps

This section presents occupations that are H-T-F-Vs, that is, those vacancies that take longer than 12 months to fill. It also attempts to provide a picture of the number of H-T-F-V occupations and why they are hard to fill. It further paints a picture of skills gaps in the services sector – indicating occupational levels affected. Additionally, it provides emerging occupations in the services sector, including a rationale for each in terms of whether it is due to digitisation, if it emanates from National Strategies and Plans, or any other factor that is a skills change driver in the sector.

Exploring the skills supply follows this and covers the state of education and training provision, the supply problems employers experience with the current labour market and interventions planned to address supply-side challenges. The last section presents the methods and process followed in compiling the SPOI list and emerging occupations, including interventions and quantities that the Services SETA will implement to address occupational shortages, skills gaps, and labour supply challenges.

3.2.1. Hard-To-Fill Vacancies

This section presents the list of H-T-F-Vs identified within the services sector. A desktop literature review informs the list of employment and unemployment trends within the sector, an analysis of WSP/ATR data submitted by employers, especially the vacancy trends and planned interventions, stakeholder consultation workshops and an online employer survey to

corroborate findings across multiple sources. The hard-to-fill vacancies list and the demand magnitude are presented per chamber, and the need for suitably qualified persons is cited as

the main reason for delays in filling in vacancies on time, along with equity considerations. Table 10 below lists of HTFV that has been consistently appearing on our SSP.

Table 10. Hard-to-Fill Vacancies List over 2019 – 2024 MTSF

Occupational Group	Chamber	OFO code	Hard-To-Fill Vacancy	Justification
Managers	Cleaning and Hiring services	2021-143902	Cleaning Services Manager	There are no specific qualifications for the cleaning managers and industry is in the process of developing a new occupational qualification.
	Real Estate and Related services	2021-143901	Facility Manager	There is shortage on qualified facility managers with property function different from facilities operations. A new occupational qualification has been developed and we have seen the industry being able to fill the facility managers positions.
	Communications and Marketing services	2021-143905	Call Centre Manager	This an ERRP SS occupation and the SETA has developed the occupational qualification for this industry and funding has been put aside to support the implementation of interventions related to ERRP SS.
		2021-122103	Director of Marketing	Changes on the job requirement as the people in this occupation had to be re-skilled to incorporate the new skill arouse from the industry seeking to be relevant with regards to technology trends.
	Management and Business services	2021-121905	Programme or Project Manager	Shortage of the specific skills needed by the industry.
		2021-132107	Quality Manager	To develop the occupational qualification.
		2021-121906	Franchise Manager	To develop the occupational qualification.
		2021-134903	Small Business Manager	To develop the occupational qualification.
		2021-122101	Business Development Manager	To develop the occupational qualification.
	Professionals	Communications and Marketing services	2021-251201	Software Developer
2021-216603			Multimedia Designer	Changes in the industry as new technology skills are critical.
Labour and Collective services		2021-261105	Conciliation / Arbitration Commissioner	Shortage of the specific skills needed by the industry.
		2021-242304	Industrial Relations Advisor	Shortage of suitable qualified IR advisors.
Management and Business services		2021-242101	Management consultant (Business Analyst, Business Consultant, Business Support Project Manager)	To develop the occupational qualification.

Occupational Group	Chamber	OFO code	Hard-To-Fill Vacancy	Justification
Technicians and Associate Professionals	Real Estate and Related services	2021-333401	Property Manager	Shortage of the specific skills needed by the industry.
		2021-331501	Valuer	Shortage of suitable qualified valuers.
		2021-333901	Auctioneer	Shortage of suitable qualified auctioneers from the PDI.
	Labour and Collective services	2021-335901	Labour Inspector	Shortage of the specific skills needed by the industry and the SETA has developed an occupational qualification to address this shortage.
Clerical Support Workers	Communications and Marketing services	2021-422206	Call Centre Agent	To realigning the historically register qualification to occupational qualification.
Services and Sales workers	Personal care services	2021-514101	Hairdresser	Shortage of the specific skills needed by the industry and the SETA has developed an occupational qualification to address this shortage.
		2021-514201	Beauty Therapist	To realigning the historically register qualification to occupational qualification.
		2021-514207	Somatologist	Shortage of the specific skills needed by the industry.
	Cleaning and Hiring services	2021-515104	Cleaning Supervisor	To realigning the historically register qualification to occupational qualification.
Skilled Agricultural, Forestry, Fishery, Craft and Related Trades Workers	Personal care services	2021-641301	Stonemason	Shortage of the specific skills needed by the industry and the SETA has developed an occupational qualification to address this shortage.
Elementary Occupations	Cleaning and Hiring services	2021-811201	Commercial Cleaner	To realigning the historically register qualification to occupational qualification.
		2021-811202	Healthcare Cleaner	This was a priority occupation that arose from the COVID-19 pandemic, the SETA working with industry developed the occupational qualification to ensure that we have trained healthcare cleaners.
		2021-812101	Laundry Worker	There's a shortage of suitable qualified laundry workers as there was no qualification for industrial laundry workers.
		2021-821401	Garden Worker	There's a shortage of suitable qualified garden workers as there was no qualification for domestic garden workers.

a. Cleaning and Hiring Services Chamber

The Cleaning and Hiring Services Chamber is one of the subsectors mainly employing entry-level workers, except in management positions – see table 11. It is, therefore, not surprising to note below in table 11 that there is a high vacancy rate at the senior levels of employment, like manager and inspector or equivalent. Commonly cited reasons are the lack of suitably qualified people and relevant qualifications.

Table 11. Hard-to-Fill Vacancies, Cleaning and Hiring Services Chamber

Occupational Group	OFO code	Hard-To-Fill Vacancy	No	Reasons	Skills/Non-Skills Related
Managers	2021-143902	Cleaning Services Manager	246	Lack of relevant qualifications	Skills Related
Services and Sales workers	2021-515104	Cleaning Supervisor	188	Shortage of suitably qualified people	Skills Related
Elementary Occupations	2021-811201	Commercial Cleaner	320	Shortage of suitably qualified people	Non-Skills Related
	2021-811202	Healthcare Cleaner	1,640	Shortage of suitably qualified people	Non-Skills Related
	2021-812101	Laundry Worker	234	Shortage of suitably qualified people	Non-Skills Related
	2021-821401	Garden Worker	46	Shortage of suitably qualified people	Non-Skills Related

The implication for skills development planning is the need to pay special attention to training at elementary occupational levels. Particular attention should be paid to blacks, women, youth, and people with disability.

b. Communications and Marketing Services Chamber

The Communications and Marketing Services Chamber subsectors attract people with a relatively high level of skills and qualifications, see table 11. The main reasons employers struggle to fill vacant posts identified below for this Chamber are the lack of relevant qualifications and skills, which are some of the top reasons employers take long to fill vacancies in table 12. The list below also includes occupations identified by the ERRS as critical for the success of the ERRP.

Table 12. Hard-to-Fill Vacancies, Communications and Marketing Services Chamber

Occupational Group	OFO code	Hard-To-Fill Vacancy	No	Reasons	Skills /Non-Skills Related
Managers	2021-122103	Director of Marketing	295	Lack of relevant qualifications Shortage of suitably qualified people Lack of relevant skill	Skills Related
	2021-143905	Call Centre Manager	156	Salary considerations Lack of experience	Non-Skills Related
Professionals	2021-243103	Marketing Practitioner	214	Lack of relevant skill	Skills Related
Clerical Support Workers	2021-422202	Call Centre Customer Service Representative (Outbound)	420	Shortage of suitably qualified people Lack of experience	Skills Related
		Collections Consultant (Contact Centre)	345	Lack of relevant skill	Skills Related

One of the implications for skills development is the need to pay special attention to transformational imperatives. A significant allocation of the training budget and interventions should be made to blacks, women, youth, and people with disabilities. Most importantly, the Services SETA should ensure the availability of relevantly suitable qualifications to address the problem.

c. Labour and Collective Services Chamber

Due to the nature of its operations, the Labour and Collective Services Chamber seems to struggle to recruit staff in critical recruitment areas. Table 13 illustrates that the main reasons for the inability to attract relevant staff include lack of relevant skills and the shortage of qualified people.

Table 13. Hard-to-Fill Vacancies, Labour and Collective Services Chamber

Occupational Group	OFO code	Hard-To-Fill Vacancy	No	Reasons	Skills /Non-Skills Related
Professionals	2021-242102	Transformation Manager	110	Lack of relevant qualifications Lack of relevant skill	Skills Related
	2021-242303	Human Resource Advisor	98	Shortage of suitably qualified people	Non-Skills Related
	2021-242304	Industrial Relations Advisor	355	Lack of relevant qualifications Lack of relevant skill	Skills Related
	2021-261105	Conciliation /Arbitration Commissioner	148	Shortage of suitably qualified people Lack of relevant skill	Skills Related
Technicians and Associate Professionals	2021-335901	Labour Inspector	126	Shortage of suitably qualified people	Non-Skills Related

The skills challenges related to the Labour and Collective Services Chamber imply that the Services SETA should sufficiently invest in learnership and internship interventions – with due consideration for transformation. These learning interventions provide prospective employees with sufficient and relevant exposure to the world of work, thereby preparing them for immediate absorption into the labour market.

d. Management and Business Services Chamber

Like other high-skills-based subsectors, the Management and Business Services Chamber seems constrained by a lack of relevant skills and suitable qualifications in attracting suitably qualified incumbents – see table 14. Skills scarcity is also mainly concentrated in the management and senior occupational categories.

Table 14. Hard-to-Fill Vacancies, Management and Business Services Chamber

Occupational Group	OFO code	Hard-To-Fill Vacancy	No	Reasons	Skills /Non-Skills Related
Managers	2021-121901	E-Commerce Manager (Entrepreneurial)	170	Lack of relevant skill Lack of relevant qualification Shortage of suitably qualified people	Skills Related
	2021-121906	Franchise Manager	740	Lack of relevant skill Lack of relevant qualification Shortage of suitably qualified people	Skills Related
	2021-122101	Business Development Manager	385	Shortage of suitably qualified people	Non-Skills Related
	2021-132107	Quality Manager	268	Lack of relevant qualifications Shortage of suitably qualified people Lack of relevant skill	Skills Related
	2021-134903	Small Business Manager	210	Shortage of suitably qualified people	Non-Skills Related
Professionals	2021-242101	Management consultant (Business Analyst, Business Consultant, Business Support Project Manager)	726	Shortage of suitably qualified people	Non-Skills Related

The current economic slow growth means that skills related to turning around business operations and consulting will be in higher demand. As discussed above, this is an ideal opportunity to promote transformation by aiming to train interventions for marginalised groups.

e. Personal Care Services Chamber

The Personal care services Chamber is one of the subsectors that does not require high qualifications to enter the labour market. Table 15 indicates that the nature of business is primarily informal and small in size. Therefore, it is unsurprising that the skills scarcity is decreasing in the clerical and sales workers' area downwards.

This sector's labour profile is that women dominate it, and the majority are self-taught. These factors alone can be the most significant barrier to entrepreneurs' growth and sustainability, directly impacting the workforce.

Table 15. Hard-to-Fill Vacancies, Personal Care Services Chamber

Occupational Group	OFO code	Hard-To-Fill Vacancy	No	Reasons	Skills / non-Skills related
Services and Sales workers	2021-514201	Skin Care Therapist	486	Lack of relevant qualifications Shortage of suitably qualified people Lack of relevant skill	Skills Related
	2021-514209	Aesthetic Laser Therapist	394	Lack of relevant qualifications Lack of relevant skill Shortage of suitably qualified people	Skills Related
	2021-514210	Image Consultant	142	Shortage of suitably qualified people	Non-Skills Related
	2021-516306	Crematorium Operator	452	Shortage of suitably qualified people Lack of relevant qualifications Lack of relevant skill	Skills Related
Skilled Agricultural, Forestry, Fishery, Craft and Related Trades Workers	2021-641301	Stonemason	110	Lack of relevant skill Shortage of suitably qualified people	Skills Related
	2021-682201	Coffin Maker	240	Lack of relevant qualifications Lack of relevant skill	Skills Related

The implications for skills development planning for the subsector is the need to pay special attention to employees in precarious employment conditions, part-time employment, and businesses vulnerable to closure. The aim should be to prepare vulnerable workers for alternative employment or to start their businesses.

f. Real Estate and Related Services Chamber

The real estate subsector is one of the small, yet economically strong industries – in terms of GDP contribution and business revenue. At the same time, it is often slated for its slow pace of transformation. Skin colour remains the biggest impediment to entry for blacks. The industry is highly regulated, requiring a fair literacy level and educational qualifications. Unsurprisingly, vacancy rates are concentrated in the high-level occupational categories, and underlying reasons include the lack of relevant skills, relevant qualifications, and equity considerations, respectively, as illustrated in table 16.

Table 16. Hard-to-Fill Vacancies, Real Estate and Related Services Chamber

Occupational Group	OFO code	Hard-To-Fill Vacancy	No	Reasons	Skills/Non-Skills Related
Managers	2021-143901	Facility Manager	243	Lack of relevant qualifications Lack of relevant skill Equity Considerations	Skills Related
Technicians and Associate Professionals	2021-333401	Property Manager	310	Lack of relevant skill Equity Considerations	Skills Related

Occupational Group	OFO code	Hard-To-Fill Vacancy	No	Reasons	Skills/Non-Skills Related
	2021-333405	Real Estate Principal Agent	232	Equity Considerations	Non-Skills Related
	2021-331501	Valuer	218	Shortage of suitably qualified people Lack of relevant skill Equity Considerations	Skills Related
	2021-333901	Auctioneer	210	Shortage of suitably qualified people Lack of relevant skill Equity Considerations	Skills Related
	2021-333904	Business Broker	106	Salary considerations Lack of experience	Non-Skills Related

For the real estate subsector, skills development planning should consider training employees from historically disadvantaged backgrounds to address the industry's transformation.

3.2.2. Skills Gaps

This section examines the nature and extent of the demand for skills gaps within the services sector. It draws from literature reviews, employer surveys, WSP/ATR and Services SETA Performance Information data, and stakeholder consultation virtual workshops. Table 17 lists key skills gaps identified within the services sector by major and occupational levels.

Table 17. Skills Gaps in the services sector

Major group	Skills gaps	Occupations
Managers	<ul style="list-style-type: none"> › Negotiation Skills › Time Management Skills › Leadership Skills › Financial Skills › Labour Relations Skills › Marketing Skills 	<ul style="list-style-type: none"> › 2021-134903 - Small Business Manager › 2021-121906 - Franchise Manager › 2021-143902 - Cleaning Services Manager › 2021-242101 - Business Support Project Manager
Professionals	<ul style="list-style-type: none"> › Marketing and Sales › Social Media Skills › Customer Service Technicians › Associate Professionals 	<ul style="list-style-type: none"> › 2021-243103 - Marketing Practitioner › 2021-243204 - Conference and Event Organiser / Coordinator
Clerical support workers	<ul style="list-style-type: none"> › Customer Service › Time Management › Foreign Language › Computer Literacy › Work Ethics 	<ul style="list-style-type: none"> › 2021-422202 - Collections Consultant (Contact Centre) › 2021-422201 - Inbound Call Centre Customer Service Representative › 2021-431301 - Payroll Assistant
Service and sales workers	<ul style="list-style-type: none"> › Customer Service › Communications › People Management › Time Management › Financial Skills 	<ul style="list-style-type: none"> › 2021-514101 - Hairdresser › 2021-522102 - Salon Manager
Elementary occupations	<ul style="list-style-type: none"> › Communications › Basic Computer 	<ul style="list-style-type: none"> › 2021-811201 - Commercial Cleaner

3.2.3. Emerging Occupations

Table 18 lists emerging occupations arising from the services sector.

Table 18. Emerging Occupations

Occupational Group	OFO Code	Name of Occupation	Reason
Professionals	2021-216603	Multimedia Designer	Digitisation With the evolution within the digital space, multimedia designers must learn new skills to ensure they are relevant.
	None	Time Share Consultant	Change driver (Economy Performance) The timeshare industry falls within the property sector. This occupation was lost between the finance and sales sectors. We have witnessed the growth in the number of Airbnb's and ownership of holiday accommodations. The industry will need to develop occupational qualifications/skills programmes.
Technicians and Associate Professionals	2021-333402	Real Estate Agent	Change driver (Legislation) The PPRA was established in terms of the Property Practitioners Act. This authority regulates and educates the property sector. The Services SETA needs to ensure that learning interventions align with the authority.

3.2.4. Alignment of ERRSS Occupations and Skills Gaps

The Services SETA will support the two interventions, as illustrated below in Table 19, in support of the ERRPSS.

1. To improve enrolment in those programmes that respond to the ERRP. As funding is one of the obvious obstacles, we will address it by making bursaries available to students keen to enrol in the targeted programmes. We will also ensure that addressing the occupational shortages is one of our priority occupations.
2. Review and revise the qualifications, programmes, and curricula to respond to the occupational shortages and skills gaps identified in the strategy.

Table 19. ERRPSS Occupations SETA Interventions

Name of Occupation	ERRP Intervention	SETA Planned Intervention
Call or Contact Centre Manager	Intervention 4: Increase enrolments in qualification-based programmes that respond to the occupational shortages identified in this strategy	Fund bursaries for 50 beneficiaries to enrol for Call/Contact centre manager qualification.
Contact Centre Real Time Advisor	Intervention 5: Review and revise E&T qualifications, programmes and curricula	Review of the Contact Centre Manager Occupational Qualifications (99687 - Level 5)
Contact Centre Resource Planner		
Contact Centre Forecast Analyst		
Inbound Contact Centre Consultant		
Outbound Contact Centre Consultant		
Call or Contact Centre Agent		

Source: (DHET, 2022)

The evolution of technology has also pointed to a need to train several individuals in particular competencies, creating skills gaps resulting from innovation. The most cross-cutting of emerging skills gaps are mostly linked to the digital economy. The Services SETA will promote the use of e-learning platforms to ensure that the training environment is abreast with the changes in the ICT sector.

3.3. Supply-side analysis

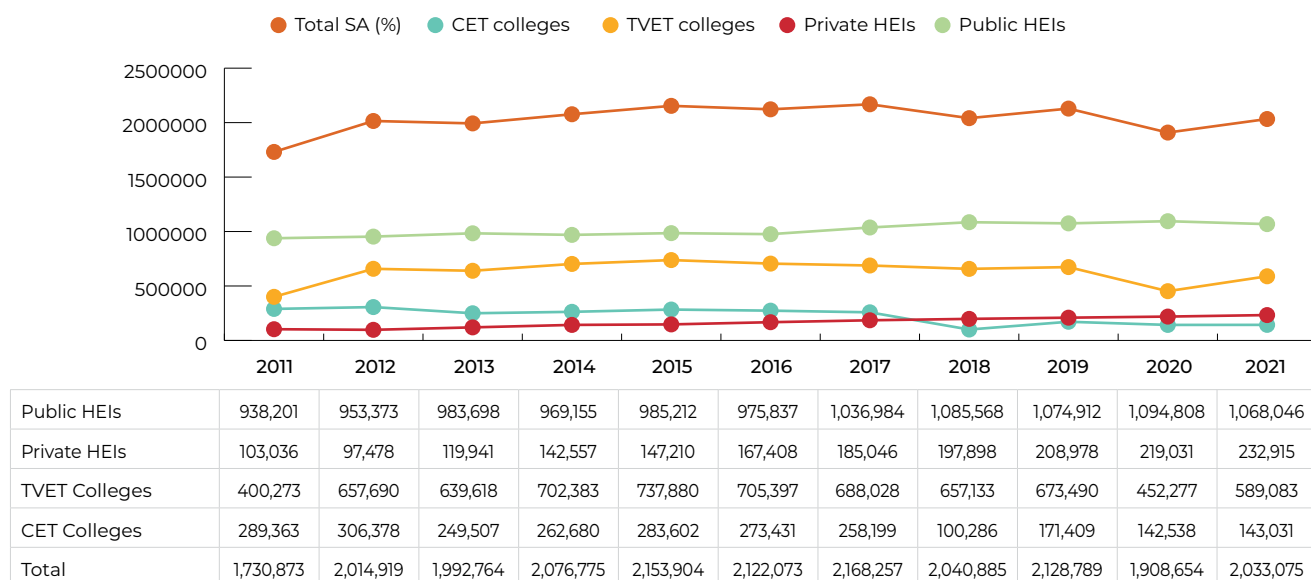
This section describes the state of education and training provision in relation to enrolments and throughput from various supply pipelines. It also outlines the supply-side challenges in the services sector, including the supply problems employers are experiencing. It further discusses interventions planned to address supply-side challenges.

3.3.1. The state of education and training provision

a. Higher Education and Training Programmes

The skills development ecosystem PSET consists of TVET Colleges, CET Colleges, private colleges, public and private universities (also referred to as HEI), and SETAs. PSET is positioned to ensure the pipeline of supply of skills for the labour market. There are 26 public universities, 131 private institutions of higher education, 50 TVET Colleges, 9 CET Colleges, 287 registered private colleges and 21 SETAs. In addition, there are thousands of SDPs. Altogether, the system enrolled more than 2,1 million learners in 2021- see Figure 15.

Figure 15. Learner Enrolment in Public and Private HEIs, 2011-2021

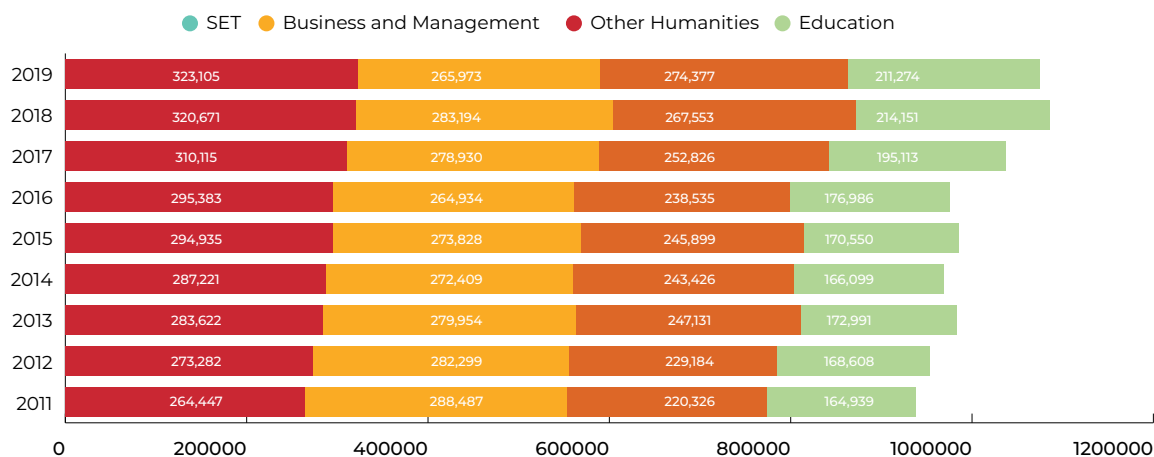


Source: (DHET, 2023)

The highest intake within the public universities system is within the Science, Engineering and Technology (SET) followed by Humanities, Business and Management, and Education disciplines- see Figure 16. All fields of study experienced a decline in enrolment between 2020 and 2021, with the exception of other humanities, which recorded a slight increase of 0.3% (761). The most significant decline was in the business and management field of study, as enrolment fell by 5.2% (14,692) between 2020 and 2021.

The table displays the Gender Parity Index (GPI) for enrolment and completion in various types of Post-School Education and Training (PSET) institutions in 2021. Females had a significantly higher GPI for enrolment across all three PSET institution types: Higher Education Institutions (HEIs), Technical and Vocational Education and Training (TVET) colleges, and Community Education and Training (CET) colleges. While the GPI for completion also favoured females, the difference was less pronounced.

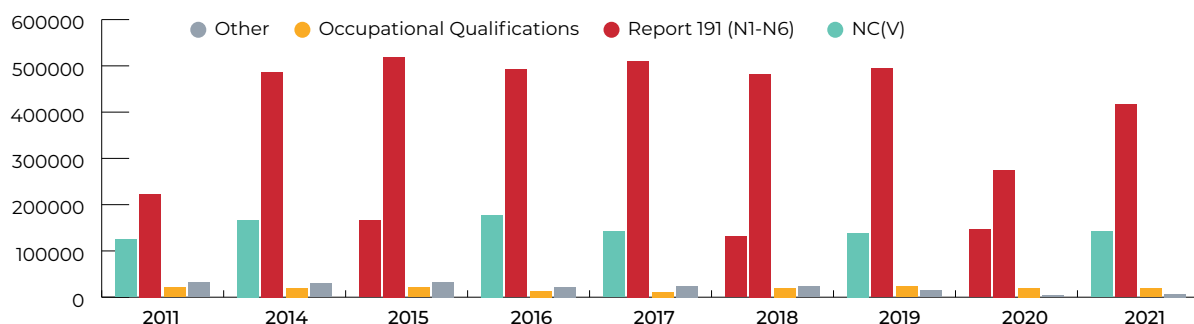
Figure 16. Number of Students Enrolled in Public HEIs by Major Field of Study, 2011-2019



Source: (DHET, 2023)

The noticeable decrease in enrolment implies that SETAs will need to strengthen the pipeline of skills supply for the services sector- related qualifications over the next five years. The low rate of skills supply for the services sector is made pale by the low enrolment rate of SETA-related qualifications in the TVET college space. TVET Colleges, occupational qualifications are directly aligned to the SETA training facilitation mandate. As Figure 17 illustrates, enrolment in SETA-related qualifications has been the lowest among the need for the Services SETA to work closely with TVET Colleges to strengthen the pipeline of skills supply.

Figure 17. Learner Enrolment by Type of Qualifications in TVET Colleges, 2011-2021

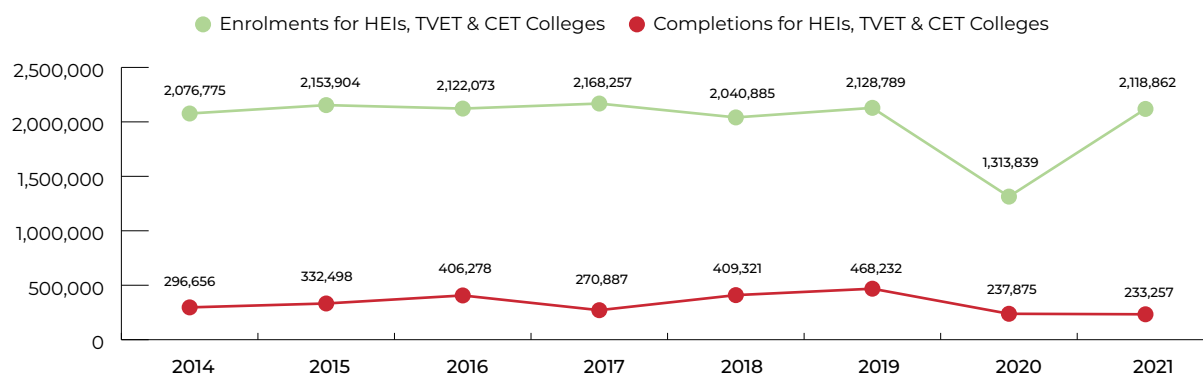


NC(V)	124,658	166,433	165,459	177,261	142,373	131,212	138,912	146,637	141,768
Report 191 (N1-N6)	222,754	486,933	519,464	492,026	510,153	482,175	494,070	274,907	416,949
Occupational Qualifications	20,799	19,825	20,533	13,642	10,969	20,106	22,886	20,130	18,277
Other	32,062	29,192	32,424	22,468	24,533	23,355	14,025	3,888	6,653

Source: (DHET, 2023)

A comparison of learner enrolments and completion figures in public and private universities, TVET and CET Colleges paints a bleak picture regarding the pipeline of skills supply. As Figure 18 illustrates, completion rates fall far short of enrolment rates.

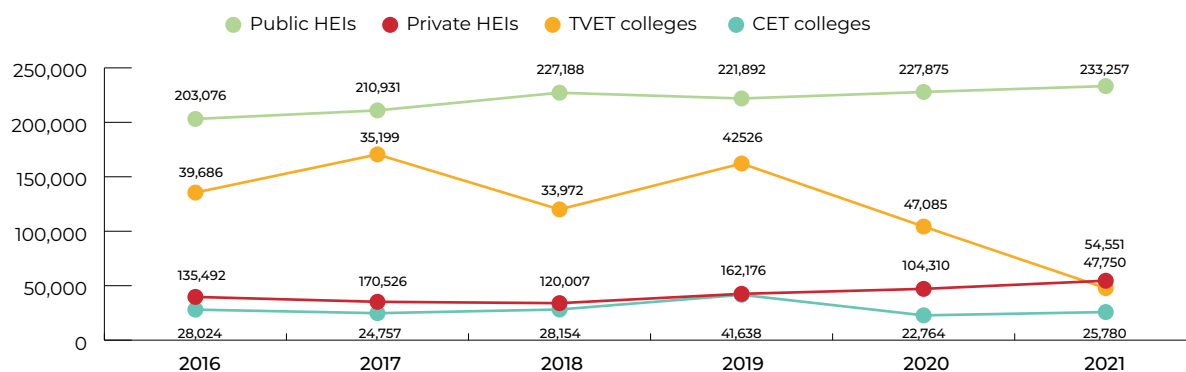
Figure 18. Comparison of Learner Enrolments and Completions Rate 2014-2021



Source: (DHET, 2023)

A detailed analysis of the data reveals a worrying trend of low completion rates within CET Colleges and TVET Colleges and public universities. Together, these institutions account for more than 90% of the student enrolment in the country. Several tracer studies reveal several underlying reasons which need to be addressed for the situation to be turned around. Key among them include access to learning materials and the quality of the school-leaving qualifications.

Figure 19. Comparison of Learner Enrolments and Completions Rate 2016-2021



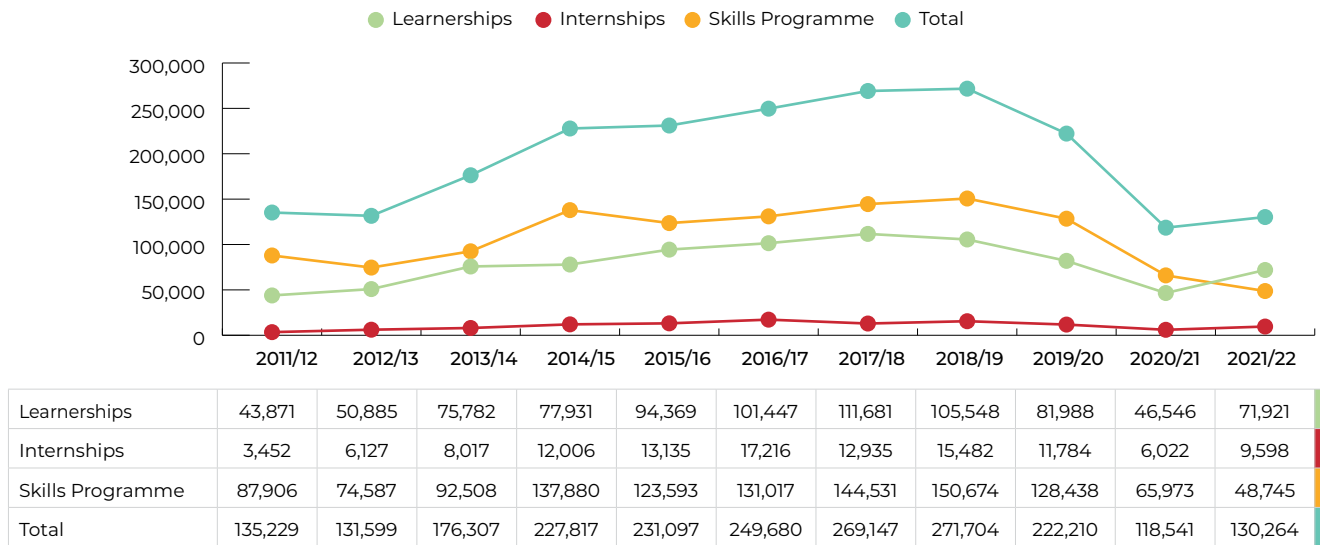
Source: (DHET, 2023)

The following section explores the skills supply situation in the SETA space. Like the HEIs, completion rates in the SETA space are worrying. The big challenge in the latter is insufficient workplaces that afford learners experiential learning opportunities. Unlike HEIs qualifications, occupational qualifications offered by SETAs include a workplace learning component.

b. Sector Education and Training Authorities

There are 21 SETAs responsible for different sectors as determined by DHET. There has been a steady increase in the enrolment of learners over the last five years. Enrolment in learnerships has surpassed others, followed by Skills Programmes Figure 20 illustrates this picture.

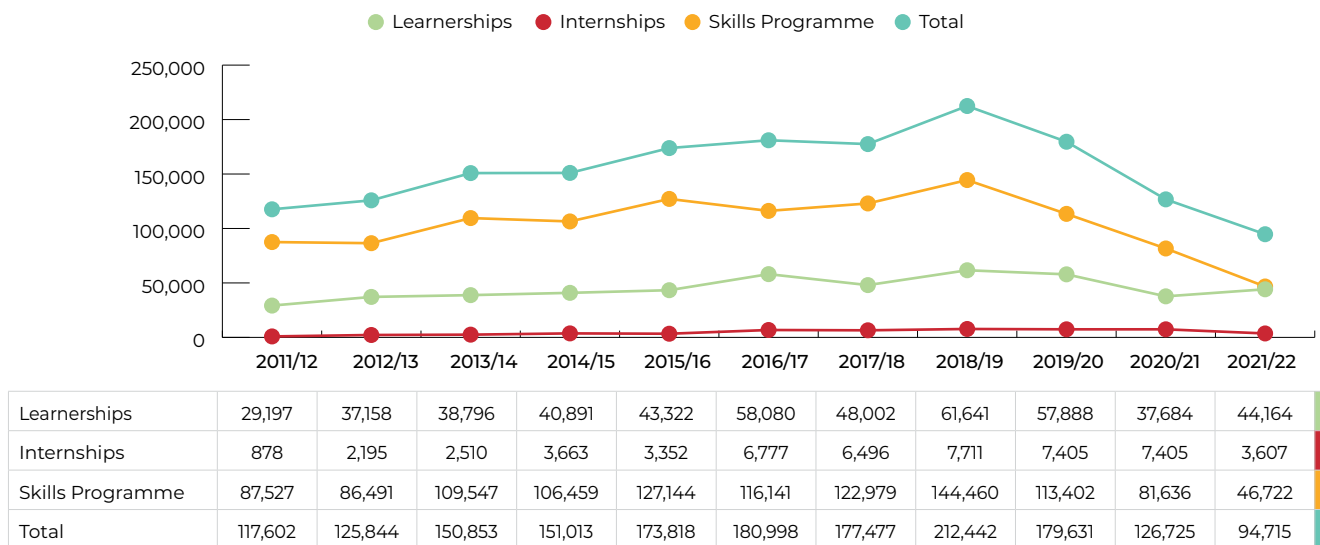
Figure 20. Learner Enrolment in all 21 SETAs, 2011-2021



Source: (DHET, 2023)

In line with the enrolment trend above, Skills Programmes registered the highest completion rates, followed by Learnerships. While also realising a steady increase in completion rates, internship programmes completion rates are far lower than the enrolments, as Figure 21 illustrates. This is a problem common across all SETAs that needs closer scrutiny.

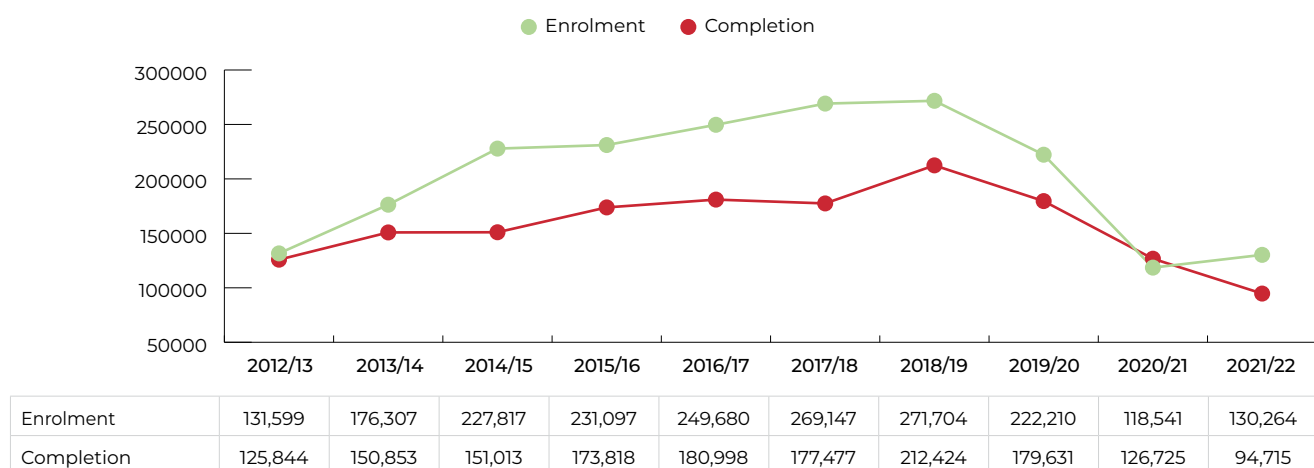
Figure 21. Learner Completion in all 21 SETAs, 2011-2021



Source: (DHET, 2023)

The discrepancy between enrolment and completion rates is aptly illustrated in Figure 22. The gap between the two is increasing instead of declining. Even more worrying is that completion rates appear to fall more instead of increasing or remaining constant.

Figure 22. Comparison of Total Learner Enrolment and Completion in all 21 SETAs 2011-2021



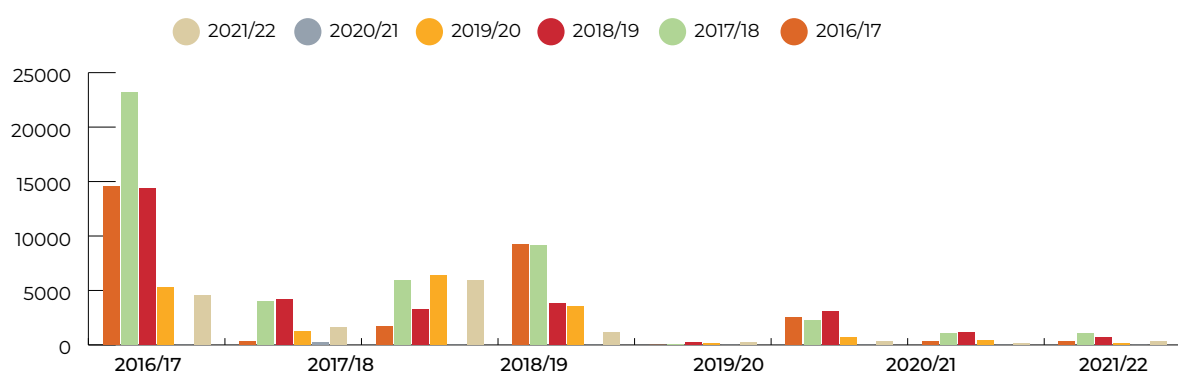
Source: (DHET, 2023)

The overall decline in completions within the PSET system places severe pressure on SETAs to enhance the pipeline of exiting learners. The following section provides an overview of the Services SETAs contribution to the skills supply for the services sector.

c. Services SETA-funded learning interventions

The services SETA has made a noticeable contribution to skills development in the last five years – see Figure 23. The highest enrolment rates are in the Learnership Learning Programme, followed by internship. These two learning programmes are critical because they mainly benefit youth and women. The latter category is, in most cases, new entrants to the labour market. These programmes equip them with relevant work experience and exposure to the world of work.

Figure 23: Services SETA Learner Enrolment, 2012

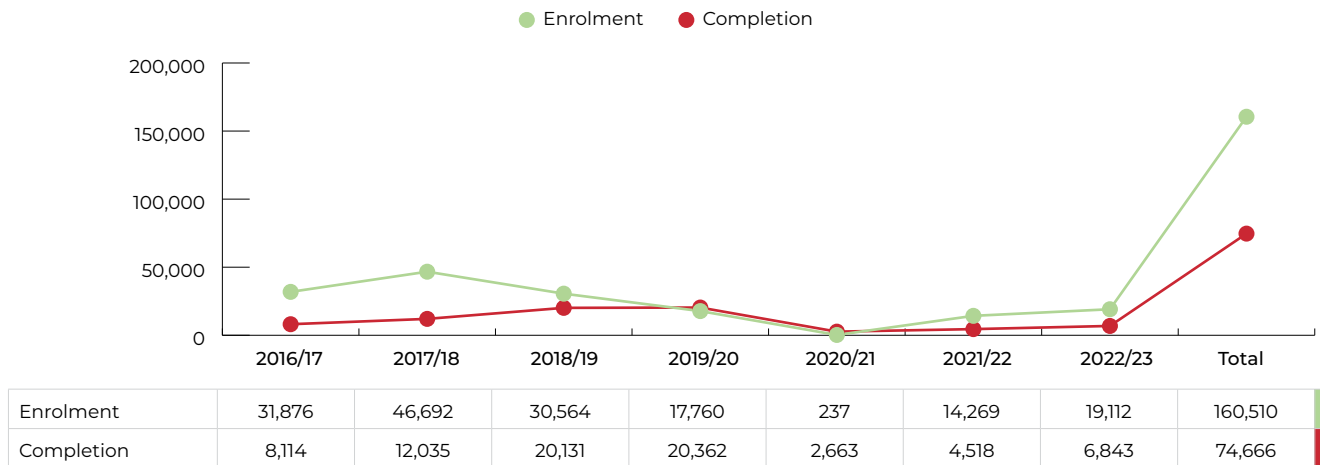


Source: (Services SETA LMIS, 2015; 16; 17; 18; 19,20,21,22)

Another critical area of improvement is Skills Programmes. As discussed above, this programme is ideally suited for already-employed learners who require top-up skills.

Regarding completion rates, the Services SETA, like other SETAs above, falls behind with completion – see Figure 24. Tracer studies revealed several reasons for this state of affairs. Key amongst them is the high rate of dropouts (Services SETA, 2022). Learners are often tempted to quit learning programmes when they find employment or receive enrolment acceptance from another SETA, TVET college or university.

Figure 24: Services SETA Learner enrolment and completion, 2016-2022



Source: (Services SETA LMIS, 2015; 16; 17; 18; 19; 20, 21, 22)

The next section looks at the interventions developed by the Services SETA to improve the pipeline of skills supply for the sector.

3.3.2. Supply problems experienced by employers

Employers bemoan the turnaround time for the development of occupational qualifications to meet the industry demands. Given the rapid changes in the economy, employer skills needs change correspondingly fast. The slow pace of development of new occupational qualifications or alignment of existing ones fails to keep pace with industry needs. For this reason, employers are advocating for non-credit bearing top up skills programmes to prepare the workforce for new, rapid developments in the labour market. This request goes against the DHET's principle of horizontal and vertical articulation. Grading of skills programmes allows workers to articulate as described, while promoting lifelong learning as envisioned in the Constitution and the Education Act.

3.3.3. Interventions planned to address supply side challenges

To respond to current skills demand within the services sector, about 70 occupational qualifications (i.e. Full/Part qualifications and Skills programmes) have been developed and registered with the QCTO. The majority of these occupational qualifications and skills programmes have been developed to address the occupational shortages within the sector Table 20 below.

Table 20. Registered Occupational Qualifications (Full/Part) and Skills Programmes

Cleaning & Hiring Services Chamber	Communication & Marketing Services Chamber	Management & Business Services Chamber
<ul style="list-style-type: none"> › Garden Worker (FQ) › General Residential Repairer (Garden Maintenance) (SP) › Laundry Finisher (PQ) › Laundry Sorter (PQ) › Laundry Washer (PQ) › Laundry Worker (FQ) › Commercial Cleaner (FQ) › Commercial Ablution Cleaner (PQ) › Above Surface Cleaner (PQ) › Kitchenette Cleaner (PQ) › Commercial Floor Cleaner (PQ) › Healthcare Cleaner (FQ) › Cleaning Practitioner (FQ) 	<ul style="list-style-type: none"> › Contact Centre Manger (FQ) › Marketing Coordinator (FQ) › Survey Interviewer (FQ) › Market Research Analyst (FQ) › Advanced Spatial Intelligence Data Scientist (SP) › Spatial Data Intelligence Scientist (SP) 	<ul style="list-style-type: none"> › Project Manager (FQ) › Conference and Events Organiser (FQ) › Management Assistant (FP) › Office Administrator (FQ) › Quality Manager (FQ) › Quality Assurer (PQ) › Small Business Consultant(FQ) › Payroll Manager (FQ) › Office Supervisor (FQ) › Franchise Manager (FQ) › New Venture Creation (SP) › Workplace Essential Skills (SP) › Coffee Bar Technician's Assistant (SP)
Labour & Collective Services Chamber	Personal Care Services Chamber	Real Estate & Related Services Chamber
<ul style="list-style-type: none"> › Recruitment Manager (FQ) › Labour Inspector (FQ) › Human Resource Manager (FQ) › Human Administrator Officer (FQ) › Human Resource Advisor (FQ) 	<ul style="list-style-type: none"> › Embalmer (FQ) › Embalmer's Assistant (PQ) › Hairdresser (FQ) › Barber (SP) › Chemical Hair Reformation Attendant (SP) › Hair and Scalp Treatment Attendant (SP) › Hair Colouring Attendant (SP) › Hair Cutting Attendant (SP) › Hairstylist (SP) › Mortician (FQ) › Stonemason (FQ) › Stone Engraver (PQ) › Stone Polisher (PQ) › Stone Erector (PQ) › Beauty Therapist (FQ) › Beauty Practitioner (PQ) › Body Therapist (PQ) › Manual Skincare Therapist (PQ) › Eye Grooming Therapist (PQ) › Make-Up Consultant (PQ) › Nail Therapist (PQ) › Temporary Hair Removal (Therapist (PQ) › Body Care Therapist (PQ) › Body Massage Therapist (PQ) 	<ul style="list-style-type: none"> › Facilities Manager (FQ) › Auctioneer (FQ) › Real Estate Agent (FQ) › Principal Real Estate Agent (FQ)

To further build capacity within the services sector, the following qualifications (part and/or full) and skills programmes are being developed, re-aligned or reviewed, as the case might be – see Table 21

Table 21. Occupational Qualifications (Full/Part) and Skills Programmes Under Development/ review/re-alignment

Occupational qualifications planned for 2022/23 and deferred to 2023/24	Occupational qualifications identified for development in 2025-2027	Occupational qualifications identified for development in 2025-2027
1. Coffin Maker 2. Public Relations Practitioners (Generalist) 3. Public Relations Practitioner (Consultant) 4. Project Manager 5. Project Management for Non-project Managers 6. Contact Centre Compliance Ensurer 7. Corporate General Manager (Entrepreneurial E-Commerce Manager) 8. Introduction to Embalming 9. Postal Frontline Service worker 10. Sales and Marketing Manager 11. Digital Manager 12. Management Consultant (Business Consultant) 13. Small Business Consulting Fundamental 14. Property Entrepreneur 15. Exhibition stand design, construction and support 16. Coffee Bar Technician 17. Cleaning Operations Manager 18. Cleaning Contract Manager 19. Crime scene cleaner / high risk cleaner 20. High Pressure Water Jeter Cleaner	1. Payroll Administrator 2. Business Coordinator 3. Project Administrator 4. Sponsorship Liaison Officer / Funding Generator / Deal Originator 5. Working at Heights for Telecommunication and Construction (Advance) 6. Safety at Heights for Telecommunication and Construction 7. Wig Maker 8. Crematorium Operator 9. Micro Needling 10. Contact Centre Quality Assurer 11. Contact Centre Data Optimizer 12. Contact Centre Operations Facilitator 13. Enterprise Resources Planner 14. Human Resource Management and Practice Support 15. First Line Manager 16. Transformation and Change Manager 17. Customer Service Manager 18. E-Commerce (Entry) 19. Pet Care/Grooming 20. Child Minder/Nanny 21. Hiring Operations 22. Working at Heights for Telecommunication and Construction (Basic) 23. Contact Centre Workforce Planner 24. Interior Design and Décor 25. Hiring Support Coordinator 26. Domestic Housekeeper 27. Labour Relations Practitioner 28. Facility Manager (Entry) 29. Timeshare (Part Qualification) 30. Beauty Therapist (Advanced) 31. Corporate General Manager 32. Administrative Assistant 33. Car Washer 34. Real Estate Practical Skills 35. Property Investor 36. Property Practitioner 37. Employment Equity 38. Employment Relations Officer	39. Workplace Discipline 40. Ethical Leadership 41. Performance Management 42. Diversity Management 43. Finance for Non-Financial Managers 44. Customer Service Excellence/Customer Service Liaison 45. Team Development and Management/ Team Builder & Motivator 46. Developing Emotional Intelligence 47. Problem Solving and Decision Making/ Problem Solver and Decision Maker 48. Front-line Office Liaison Representative 49. Operational Supervisor/Planner 50. Payroll Calculations Worker 51. Payroll Clerk 52. Dispute Resolution 53. Effective Negotiation Skills 54. Industrial Relations 55. Payroll Manager 56. Employment Compliance for Labour Inspectorate 57. Recruitment and Selection 58. Researchers on Worker-Related Issues 59. Resident Panellist
Occupational qualifications identified for development in 2023/24 1. Business Development Manager 2. Manager (Foundational Principles of PM vs LEAN) 3. Property Manager (Public Sector) 4. Property Manager (Managing Agent) 5. Facilities (Entry Level) 6. Property Business Broker 7. Nail Technology / Nail Technician 8. Management Assistant 9. Office Administrator 10. Conference and Events Organiser 11. Survey Interviewer 12. New Venture Creation 13. Barber 14. Crematorium Operator		

3.4. Transition from Legacy Qualifications to Occupational Qualifications

On the 24 December 2020 the Minister of Higher Education and Training published a Government Gazette No. 44031 indicating the registration life-cycle end and phase-out of Pre-2009 qualifications. Ministerial promulgation afforded the Services SETA 42 historical qualifications and 2 trade occupational qualifications. Following initial approval for the extension of 42 historical qualifications and 2 trades occupational qualifications, the Services SETA made a request for extension of date for additional historical qualifications aligned with the industry demand.

Despite this allowance, the industry requested extension for other historical qualifications not covered in the above Gazette. The request was channelled through QCTO. Furthermore, on December 13, 2024 the Minister published Government Gazette No. 51771 which confirms acceptance of additional requests for extension of learner enrolment of Pre-2009 qualifications not included in GG-50742.

The proclamation also allows for QCTO, SAQA and DHET to consider these within the framework set up in GG50742. Authorities in the process to develop criteria to guide DQPs for the extensions to guide. It also, opportunity for various industries through chambers to submit additional requests where qualifications have not yet been re-aligned and SETAs to assess for submission to QCTO. Our Chamber Operations and Qualifications Development and Maintenance units are engaging affected industry stakeholders in this regard.

3.5. Sectoral Priority Occupations and Interventions

This section explains methods (including consultative processes) the Services SETA employed in identifying occupations in the Sectoral Priority Occupations and Interventions list including the process followed to identify Emerging Occupations; what informed the interventions and quantities indicated in the SETA Sectoral Priority Occupations list as well as what informed the interventions and quantities indicated in the List of Emerging Occupations.

The following occupations appeared frequently in the in the past three SSPs SPOI list during the MTSF 2019-2024 period: Healthcare Cleaner; Project Manager; Mortician; Software Developer; Real Estate Agent.

The Services SETA kept these occupations in the top 10 list, due to the fact that they were not addressed in the previous years. As the organisation we want to ensure that occupations that appear in our priority list are addressed hence they appear in more than one SSP. The following is the 2025/30 AA approved SPOI list. It will be noted that the Healthcare cleaner and Real estate agent occupations still appear, and this is due to the same reason mentioned above: Call Centre Manager; Collections Consultant; Garden Worker; Healthcare Cleaner; Industrial Relations Advisor; Multimedia Designer; Real Estate Agent; Skin Care Therapist; Stonemason; Transformation Manager.

3.5.1. Methods and processes followed in compiling priority lists

a. Primary and Secondary Data

A thorough literature review preceded the analysis of sectoral priority occupations and the interventions list for the services sector. A

wide-ranging literature review was conducted to understand skills demand and supply in the services sector. Key documents included the World Economic Forum's report on the "Future Jobs" (2016) and the United Nations University WIDER Working Paper on "Understanding and characterising the services sector in South Africa" (2016).

Analysis of performance information constituted one component of the secondary data analysis. Performance information analysis included analysing enrolment data and WSPs. A descriptive evaluation research design was conducted to report on enrolled, planned or completed employer-funded and Services SETA-funded skills development interventions between 2020 and 2023. The analysis was based on critical measures focused on access and participation, learner completion, relevance, and skills supply. The WSP and ATR data submitted to the Services SETA by employers between 2023 and 2024 was also analysed to investigate areas of planned training, where training takes place and areas that need interventions through the Professional, Vocational, Occupational, Technical

and Academic Learning (PIVOTAL) programme.

b. Stakeholder Engagements

The Services SETA conducted virtual stakeholder engagements between the 20th to the 24th of May 2024 to compile the list. The workshops aimed to validate the list of hard-to-fill vacancies and skills gaps generated from the WSP/ATR and employer interviews. The sampling strategy used here was convenient sampling since the participation was limited only to the employers present at these workshops.

c. Validation and Approval Process

Validation was through engagements with chamber committee members and the GRSC. Validation considerations included ensuring a fair and equitable distribution of the list across the six chambers, promoting transformation by focusing on marginalised industries and the low-ranking workforce, meeting the industry's current needs in light of recent developments, and responding to identified change drivers. The AA made the approval through the Executive Committee of the Board (EXCO) as per our delegation of authority approval framework.

Table 22. Services SETA Priority Occupations and Interventions List 2025/26

SETA NAME	PERIOD	OCCUPATION CODE	OCCUPATION	SPECIALISATION / ALTERNATIVE TITLE	INTERVENTION PLANNED BY THE SETA	NQF LEVEL	NQF ALIGNED	QUANTITY NEEDED	QUANTITY TO BE SUPPORTED
Services SETA	2025/26	2021-43905	Call Centre Manager	None	Bursary/ Learnership	5-6	Yes	70	100
Services SETA	2025/26	2021-22202	Outbound Contact Centre Consultant	Collections Consultant	Skills Programme/ Internship	3-4	Yes	80	80
Services SETA	2025/26	2021-821401	Garden Worker	Garden Services Worker	Skills programme/RPL	2	Yes	30	30
Services SETA	2025/26	2021-811202	Healthcare Cleaner	None	Learnerships/RPL	2	Yes	50	50

SETA NAME	PERIOD	OCCUPATION CODE	OCCUPATION	SPECIALISATION / ALTERNATIVE TITLE	INTERVENTION PLANNED BY THE SETA	NQF LEVEL	NQF ALIGNED	QUANTITY NEEDED	QUANTITY TO BE SUPPORTED
Services SETA	2025/26	2021-242304	Industrial Relations Advisor	Industrial Relations Advisor	Skills Programme	3	No	20	20
Services SETA	2025/26	2021-216603	Multimedia Designer	Digital Media Designer	Bursary/Skills Programme	4-6	Yes	50	50
Services SETA	2025/26	2021-333402	Real Estate Agent	None	Bursary/ Learnership/ Internship	4-5	Yes	90	100
Services SETA	2025/26	2021-514201	Skin Care Therapist	Beauty Therapist	Learnership/Skills Programme	4-5	Yes	30	30
Services SETA	2025/26	2021-641301	Stonemason	Headstone Maker	Artisan/ Learnership	3-4	Yes	50	30
Services SETA	2025/26	2021-242102	Organisation and Methods Analyst	Transformation Manager	Skills programme/ Learnership	4	Yes	10	10

Chairperson Signature:

Mr Stephen De Vries



Acting CEO Signature:

Mr Andile Sipengane



3.5.2. SETA Sectoral Priority Occupations: Process that informed the interventions and quantities

The Services SETA, in consultation with key stakeholders, estimated the quantity of the Priority Skills list as reflected in Table 22. The following methodology was followed:

- › The top ten occupations were identified for each chamber, based on the average number of planned interventions captured in the WSP submissions to the Services SETA between 2021 and 2023;
- › The average number of enterprises that submitted WSPs between 2022 and 2023 was determined for each chamber;
- › The average number of planned interventions was divided by the average number of WSP submitted, to determine an average number of interventions per enterprise;

- › The full population of both levy paying and non-levy paying enterprises operating in Services SETA-related sectors were identified per chamber;
- › The projections are based on a linear forward projection of planned training interventions, based on the assumption that the average number of planned interventions for the period 2012 to 2023 will also be applicable for future years. No other exogenous factors are considered for these projections.

3.5.3. Emerging Occupations: Process that informed the interventions and quantities

Emerging occupations were identified through employer interviews discussed above, engagement with industry stakeholders, an online survey and the use of the Services SETA skills forecast model.

3.5.4. Envisaged outcomes from the identified interventions

These interventions are aimed at strengthening the capacity to supply skills demanded and relevant to the services sector and to ensure alignment between industry skills needs and the supply of a skilled workforce thereby addressing the mismatch between demand and supply.

3.6. Conclusion

This Chapter presented occupational shortages and skills gaps with reference to hard-to-fill vacancies as well as the extent and nature of supply. Reasons for hard-to-fill vacancies include lack of qualified people and lack of

relevant experience, in the main. Based on the discussions in Chapters 1, 2 and 3, consideration was given to: (i) Ensuring the pipeline of supply that there are sufficient and relevant qualifications on offer; (ii) That there are sufficient training providers, including assessors and moderators; and (iii) Adequate funding through Discretionary Funding is allocated to SPOI programmes through skills programmes, internships, artisans, learnerships and bursaries. The Sectoral Priority Occupations and Interventions (SPOI) list indicates interventions that have been prioritised for implementation. Prioritisation of the list considered the priority areas of the ERRSS.



DEVELOP & GROW

4 SETA PARTNERSHIPS

4.1. Introduction

This chapter reports on existing and proposed partnerships between the Services SETA and key role players to implement skills development interventions effectively. A partnership is often defined as a collaborative agreement between two or more parties to achieve specified outcomes directed towards addressing mutually inclusive skills priorities or objectives within a specified time frame.

The Services SETA has partnered with several post-education and training role players, such as public, private, and non-profit parties, including labour, to deliver skills development for the services sector. Progress on the existing

partnerships will be provided. Furthermore, it describes the success factors, challenges experienced with existing partnerships, planned partnerships, and a successful SETA partnership model/approach.

The NSDP’s framework informs the partnership framework. The NSDP recognises that the skills development agenda requires collaborations among key role players in the ecosystem. Business and SDPs—small and large, private and public constitute the core of the PSET’s ecosystem of the PSET. Figure 25 illustrates the NSDP partnership framework that the Services SETA has adopted.

Figure 25 Linkage of Education and the Workplace through SETAs



Source: DHET (2009)

The framework acknowledges the importance of improving the relationship between education, training, and work. Workplace-based learning is central to achieving the policy objectives of the post-school education and training system, and the role of SETAs as intermediary bodies is positioned as a critical factor in linking the world of work and education. What informs our partnerships is quite diverse, however they mainly serve to assist the Services

SETA in fulfilling its skills development mandate. The decision to form the partnerships is also informed by our strategic priorities set out in our 5year Strategic Plan notwithstanding the national skills development priorities to address social and economic demands. To achieve the identified strategic objectives of the SETA and national skills development priorities relevant to the services sector, the Services SETA has identified the need to form key partnerships with:

- › Education and Training institutions (public and private)
- › Industry and Professional bodies
- › Employers
- › Government Departments
- › Municipalities and District departments

The Memorandum of Agreement (MoA) or Memorandum of Understanding (MoU) will be concluded to finalise the partnership.

4.2. An analysis of existing SETA partnerships

The Services SETA understands the value of effective partnerships and their role in assisting it in achieving its strategic objectives. Our partnership model is built around bringing together all key role players in the services sector and the skills planning ecosystems, such as government departments, Education and training institutions, industry bodies and private sector businesses. Furthermore, the Services SETA has recently reviewed its current business operations through the Business Optimisation Process, and it has found the importance of the following principles in implementing its

partnerships and collaborations to ensure collective success:

- › Collaboration with partners is based on careful planning and research that will contribute to the successful implementation of the project/s.
- › Clearly established strategies and goals with all parties in the partnership by ensuring all partners understand their role in the value chain.
- › The Services SETA effective risk management is conducted through the partnerships to ensure that mitigation measures are implemented timeously without delaying the implementation of the project/s.
- › Project management contributed to the project's success. The partnership management implements key project management principles such as clear contractual objectives and Terms of Reference (TORs), regular communication, and strict time and budget management that align with project deliverables.

Table 23. List of Existing Partnerships with the Services SETA

Type & Nature	Name of institution/ partner organisation	The term and duration of the partnership	Objective(s) of the partnership	Value of partnership
TVET/CET (Strategic Partnerships)	Infrastructure Development Support <ul style="list-style-type: none"> › Motheo TVET College – Motheo Artisans Skills Academy › Ikhala TVET College – Cala Skills Development Centre › Eastern Cape CET – Ngqeleni Skills Development Centre › KZN CET College – Kokstad Skills Development Centre › South Cape TVET College – Beaufort West Skills Development Centre › Northern Cape Rural TVET – Prieska Skills Development Centre › Buffalo City TVET College – Mount Coke Skills Development Centre 	1 Apr 2021/22 – 31 Mar 2029/30	To support the TVET Colleges in infrastructure development, equip lectures with relevant skills, and deliver our learning interventions.	The Services SETA established these partnerships with TVET and CET Colleges to strengthen the supply of skilled and capable workforce for the services sector.

Type & Nature	Name of institution/ partner organisation	The term and duration of the partnership	Objective(s) of the partnership	Value of partnership
	› Mthashane TVET College – Dumbé and Mkhuze Skills Development Centres			
TVET/CET (Education and Training Partnerships)	Public College System Capacitation › Nkangala TVET College › Ekurhuleni West TVET College › Boland TVET College › Capricorn TVET College › False Bay TVET College › Northern Cape TVET College › Flavius Mareka TVET College › Tshwane North TVET College › Ingwe TVET College › Sekhukhune TVET College › Sedibeng TVET College › Central Johannesburg TVET College › ORBIT TVET College › Gauteng West TVET College	01 Nov 2022 – 31 Mar 2025	To build capacity within the TVET College space to implement Services SETA occupational qualifications.	Ability to implement SETA qualifications through the public college system for broader reach and value for money.
TVET/CET (Education and Training Partnerships)	Centres of Specialisation › Majuba TVET College › Gert Sibande TVET College › Tshwane South TVET College › Umfolozi TVET College › Flavius Mareka TVET College › Port Elizabeth TVET College › College of Cape Town › Tshwane South TVET College › East Cape Midlands TVET College	30 Jan 2022 – 31 Dec 2024	To deliver artisanal development programmes by building capacity in the Centres of Specialisation.	Support to Centres of Specialisation pursuant to the national artisan programme
University (Special Project Partnerships)	Learner Funding The following universities have partnered with USAF: › DUT › University of Limpopo › UFS › Vaal University of Technology › CPUT › University of Venda › CUT › University of Zululand › Mangosuthu University › Tshwane University of Technology	1 Apr 2021/22 – 31 Mar 2029/30	To provide bursary opportunities for the missing middle students and lecturers' development.	Improved pipeline of supply for industry-aligned skills needs.

Type & Nature	Name of institution/ partner organisation	The term and duration of the partnership	Objective(s) of the partnership	Value of partnership
Government Departments (Strategic Partnerships)	Municipalities <ul style="list-style-type: none"> › Beaufort West Municipality › Mkuze Local Municipality › Buffalo City Metropolitan Municipality › Merafong Local Municipality › Raymond Mhlaba Local Municipality › Umkhanyakude District Municipality 	1 Apr 2021/22 – 31 Mar 2029/30	To construct and build capacity to operationalise the Skills Development Centres.	To increase access to skills development in the communities.
	Government Departments <ul style="list-style-type: none"> › Department of Roads and Public Works Northern Cape (Prieska) › Department of Social Development (Dumbe/Paul Pietersburg) 	1 Apr 2021/22 – 31 Mar 2029/30		
Employer Partnerships (Education and Training Partnerships)	Partnerships with Top 25 Levy Paying Entities <ul style="list-style-type: none"> › Management and Business Services Chamber x 15 entities › Personal Care Services Chamber x 9 entities › Cleaning & Hiring Services x 15 entities › Real Estate and Related Services x 13 entities › Labour & Collective services Chamber x 7 entities › Marketing & Communications Services x 6 entities 	15 Nov 2023 – 31 Mar 2025	For implementation of Services SETA learning interventions (various)	Strengthening relationships with employers
	Professional Bodies <ul style="list-style-type: none"> › South African Association of Health and Skincare Professionals › Institute for Work at Height › Property Practitioners Regulatory Authority › South African Council for the Property Valuers Profession › South African Insurance Association South African Institute of Auctioneering › South African Facilities Management Association › Association of BBBEE Professionals › Institute of Business Advisors South Africa 	1 Mar 2024 – 31 Mar 2025	For implementation of Services SETA learning interventions (Learnerships for Unemployed) Business mentorship capacitation programme	Support growth of SMMEs

Type & Nature	Name of institution/ partner organisation	The term and duration of the partnership	Objective(s) of the partnership	Value of partnership
Employer Partnerships (Education and Training Partnerships)	Industry Bodies <ul style="list-style-type: none"> › Franchise Association of South Africa › Private Security Industry Regulatory Authority Property Sector Charter Council › South African Institute of Black Property Practitioners › South African Payroll Association › South African Professional Auctioneering Association › Real Estate Business Owners of South Africa › Institute of Estate Agents of South Africa › Institute of Real Estate Management 	1 Mar 2024 – 2 Mar 2025	Franchising business model capacitation for SMMEs	Fast-tracking the implementation of the franchise manager occupational qualification including building capacity of SMEs and workplaces.
	<ul style="list-style-type: none"> › South African Young Independent Practitioners Association › South African Youth in Property Association › Real Estate Transformation Advisory Services of South Africa › Real Estate Transformation Association of South Africa › National Property Forum › Property Practitioners Institute › SAPOA - South African Property Owners Association › IEASA - Institute of Estate Agent of South Africa › NPPC - National Property Practitioners Council › NAMA- National Association for Managing Agents › CSOS - Community Scheme Ombud Service › DPW&I - Department of Public works and Infrastructure › SAIV - South African Institute of Valuers 			
Labour Partnerships (Education and Training Partnerships)	Labour Capacitation <ul style="list-style-type: none"> › United Association of South Africa › Democratic Postal and Communications Union › National Union of Metalworkers of South Africa › National Education, Health and Allied Workers' Union › CCMA 	1 Mar 2024 – 31 Mar 2025	For implementation of Services SETA learning interventions.	Support worker initiated learning interventions

4.3. Partnership performance analysis

4.3.1. Successful Partnership/s

The Special Projects Partnerships is the most successful partnership. This is a partnership with USAf (University South Africa). Funding for tuition fees is one of the biggest obstacles to accessing university education by many students in the country. The missing middle students are the hardest hit as their parents do not earn enough money to afford university tuition or qualify for a study loan. To close this gap, the Services SETA has partnered with USAf to provide bursary opportunities to university students, and over 1,000 students have benefited from this funding per financial year. We have a dedicated department that deals with special projects to ensure proper implementation and monitoring.

The following is the process that was followed in implementing this partnership;

1. We ensured that the Memorandum of Understanding (MoU) is clear in terms of deliverables with realistic time frames and is understandable by all parties.
2. The project implementation plan is drafted and approved.
3. Monitoring and evaluation occurs within all project stages to ensure the project is on track and no delays are anticipated. Should there be issues, they will be identified earlier in the implementation phase and addressed timeously.
4. The project closure report is one of the deliverables in the MoU that ensures that lessons learnt are documented.

4.3.2. Challenges in Partnership/s

There are challenges with the Strategic Partnerships. The main part of this partnership is the construction of Skills Development Centres to benefit local communities. The industry is currently facing the threat of construction mafias, which makes working conditions on site unbearable by forcefully soliciting funds from contractors and disrupting work on site. The Services SETA has, in this regard, joined forces with the South African Police Services (SAPS) to respond to this scourge proactively.

Community protests motivated by local politics in different areas also had a disruptive effect during the project. To ensure legislative compliance and professional workmanship, the Services SETA has appointed a panel of professionals responsible for all technical related matters of each project.

4.4. Proposed Partnerships

In implementing the NSDP 2030, the Services SETA will form new partnerships. These new partnerships will ensure that the Services SETA addresses the outcomes as outlined in the NSDP 2030.

INDUSTRY BODIES PARTNERSHIPS

The Services SETA is looking into forming partnerships with industry bodies aimed at cultivating workplaces for our TVET/CET College learners. We have seen how the TVET Colleges struggle to secure workplaces for their TVET learners who require workplace exposure to complete their N6 diplomas. Partnerships with industry, TVET and SETA will yield greater results, which will lessen the unemployment and dropout rate of TVET students. This partnership will contribute to one of the SETA *Integrated High impact Programmes* that talks to the reduction

of unemployment including graduates, as internships will assist graduates to be employable and will reduce the unemployment rate.

GOVERNMENT DEPARTMENT PARTNERSHIPS

We are also looking into rekindling the relationship with the Department of Small Business Development, as most of our stakeholders are SMMEs and need programmes aimed at business growth. With the move to occupational-directed programmes, the Services SETA will forge partnerships with TVET Colleges to build the capacity to deliver our programmes to industry. This partnership is aligned with one of the SETA *Integrated High-impact Programmes* that talks to entrepreneurship and cooperative development, which is one of the priority programmes that we are already implementing through the APP.

4.5. Reflection on Important Partnerships in past 5 years

Below we have outlined the reflections of the key partnerships in the last 5 years (2020/21 – 2024/25);

- › The Education and Training Partnership with Quality Council for Trades and Occupations (QCTO) is the most effective partnership that we have with regards to the realignment/development of occupational qualifications. To date we've managed to develop/ realign 55 occupational qualifications and 13 occupational Skills programmes.
- › The Special Project Partnership with USAf assists us in the implementation of the bursaries performance indicators. We have a long term partnership with this partner as they assist in recruiting and enrolling the

bursary beneficiaries and no challenges has been encountered thus far.

- › Though there are shortcomings with some of the Strategic Partnerships we can attest to the fact that we have managed to launch the complete Skills Development Centres which are for the benefit of the communities. We are working on operationalising these centres. This partnership contributes to the SETA *Integrated High Impact Programme* initiative that addresses rural and infrastructure development.

4.6. Conclusion

This chapter highlighted best practices for effective partnership for replication across the SETA landscape. Partnerships are of great importance to the NSDP 2030. Strategic partnerships are aimed at pulling resources together with various stakeholders to expand the provision of skills development opportunities. Education and Training partnerships aim to fund marginalised learners to ensure inclusivity. Special Projects partnerships seek to target marginalised businesses such as SMMEs and those in rural areas. The Services SETA will continue to monitor and assess the implementation of these partnerships to improve their effectiveness.



5 SETA MONITORING AND EVALUATION

5.1. Introduction

The Services SETA spent time and money conducting research studies, including learner tracer studies. The reports or results from such studies are intended to feed into the SSP process and inform Services SETA priorities that would assist in establishing effectiveness and, ultimately, impact of the Services SETA intervention. This chapter aims to reflect on the state of implementation of the strategic priorities outlined in the last SSP submitted. This chapter's conclusion outlines the key skills implications.

5.2. Sector Skills Planning Reflections

This section outlines the Services SETA's current approach to Monitoring and Evaluation, explaining how it uses information from the previous year's Annual Report and Reports from the Tracer Studies to inform research and planning. It also monitors Strategic Priorities in the previous SSP that were captured in the Strategic Plan and Annual Performance Plan, the status of implementation of interventions and measures in support of National Strategies and plans from the previous planning cycle, and the status of implementation of Strategic Skills Priorities from the previous planning cycle.

5.2.1. Services SETA's approach to M&E

The Services SETA's M&E approach is informed by the Policy Framework for the Government-wide Monitoring and Evaluation System (DPME, 2007). The GWM&E system recognises the role of evaluations, performance information, and social, economic, and demographic statistics in M&E function. The M&E approach of the Services SETA is further informed by the government approach to planning, which places greater focus on outcomes and impact results-based management frameworks embedded in the Theory of Change philosophy.

This planning philosophy and approach aims to help the organisation focus on outcomes and impact rather than outputs (numbers), ensuring alignment with the mandate of the government of the day. Such an approach is critical for skills development interventions whose sole aim is to produce quality graduates who contribute to economic growth and social development.

This approach to performance monitoring and evaluation is further strengthened by the realisation that monitoring and evaluation happens at different levels and intervals—e.g., organisational, department or programme level and can occur monthly, quarterly or annually as demonstrated below in Figure 26.

Figure 26. Services SETA's M&E Framework



As the above framework illustrates, the Services SETA's M&E framework delineates between monitoring and evaluation activities. The monitoring function considers processes, compliance, financial organisational performance and financial considerations. The reporting happens frequently and routinely to ensure efficiencies and improved performance. A dedicated unit – Performance Verification and Reporting is tasked with this responsibility.

Evaluation, in its nature is a once-off activity that takes place mid- or end-term of the project/ programme. The mid-term evaluation ensures that the intervention is on the right track to achieving the intended results. In contrast, the end-term evaluation is meant to investigate whether the intended outcomes or impacts have been realised. As a public entity, the Services SETA holds itself to ensuring value

for money from its interventions. As a result, evaluation studies are conducted on strategic interventions to determine the value of money. A dedicated Unit – Impact Assessment – is tasked with this responsibility.

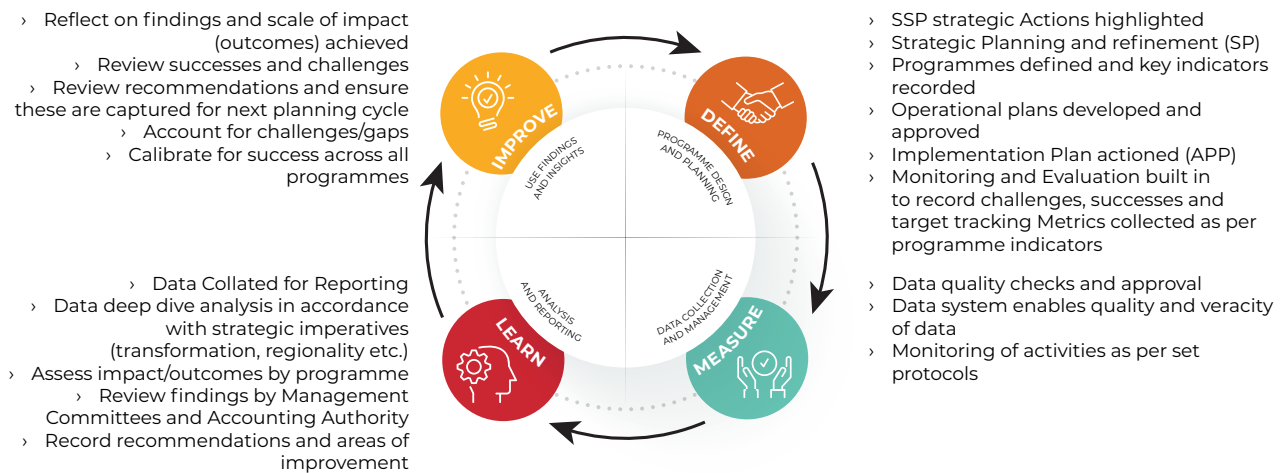
Outputs from the monitoring and evaluation functions are fed back into the planning process to guide the strategic decision-making process. The skills planning unit is responsible for desalinating key decision-making pointers and incorporating them in strategic documents such as the Sector Skills, Strategic, Annual Performance Plans, and, ultimately, the Annual Report. The latter constitutes a public accountability mechanism.

5.2.2. Use of internal data to inform research and planning

This section aims to illustrate how the Services SETA uses information from the previous year's performance information annual reports and research reports, including tracer studies and internal and external audits to inform research and planning.

The previous figures informed the use of internal data for planning purposes, highlighting the approach to monitoring and evaluation and the framework for its implementation. The utilisation of internal data to inform planning at the Services SETA is framed around the widely used Monitoring and Evaluation Learning Cycle illustrated in Figure 27.

Figure 27: Monitoring and Evaluation Learning Cycle



Source: <http://askinyathelo.org.za/using-monitoring-evaluation-learning/>

Research forms the basis of the Services SETA's plans. M&E research uses performance reports, formative assessments, and evaluation research to inform key strategic plans such as the Sector Skills Plan, Strategic Plan, and Annual Performance Plan. M&E data is used to:

- › Assess the effectiveness, relevance and impact of Services SETA's interventions in responding to transformational imperatives;
- › Evaluate the implementation of learning programmes targeted at the sector occupational shortages list;
- › Analyse why intended results are not achieved; thus, gather lessons learnt, leading to recommendations for improvement;
- › Provide data for policy development and qualification development;
- › Provide data for planning and implementation of future projects; and
- › Provide reports used to assess the outcomes and impact of the National Skills Development Strategy (NSDS) and the Services SETA's strategic objectives.

The Services SETA's AA and the subcommittees exercise oversight, strategic guidance and organisational performance management using the following mechanisms:

- › Quarterly monitoring reviews;
- › AA Strategic Planning Session;
- › Governance & Strategy Committee oversight of research, planning and reporting;
- › Review of annual performance, gaps, and reasons for either under or over-achievement;
- › Updated research agenda and evaluation plan;
- › SSP development and update; and
- › Strategic Plan and Annual Performance Plan Updated

Section 5.3 discusses measures implemented to strengthen achievements and skills priorities. These measures are informed by the activities outlined above.

5.2.3. M&E Improvements Over the Past 5 years

The Services SETA has sought hard to strengthen M&E practices within the organisation. This has been primarily achieved by establishing the Strategy & Insights Department, whose sole responsibility is developing and updating strategic documents such as the SSP, SP and APP, research, industry mobilisation and qualifications development and maintenance. The Planning Division alone comprises of:

- 1. Research and Impact Assessment Unit,** whose role is to conduct research to inform skills demand and supply and conduct impact assessment of implemented interventions;
- 2. Skills Planning Unit,** whose role is to develop and/or update SSP, SP and APP and compile an integrated annual report that reflects on achievements of the organisation against set targets; and

- 3. Performance Monitoring, Verification and Reporting Unit,** whose role is to monitor organisational performance every quarter, verify reported data and report on organisational performance to relevant internal and external stakeholders

Therefore, institutionally, the Services SETA is well positioned to execute an effective M&E role for the organisation. Each Unit is headed by a manager, assisted by senior officers and then down to administrators. This has been the case for the last five years. The inclusion of Chamber Operations and Qualifications Development and Maintenance functions in this portfolio has strengthened the monitoring and evaluation further. Chamber Operations are responsible for industry mobilisation to ensure effective participation in Services SETA-funded interventions and jointly evaluating the impact of these interventions. Qualifications Development and Maintenance relies heavily on research and industry participation for the identification and development of occupational qualifications. Therefore, the inclusion of these functions under one department completes the monitoring and evaluation cycle perfectly.

A recent organisational review exercise, including the recently concluded organisation-wide impact evaluation study, confirmed the relevance of the M&E institutional arrangement at the Services SETA.

Strengthening the M&E Framework and Guidelines, including developing the Theory of Change which is the foundation for developing an effective M&E function, still needs to be done. The Services SETA has since commissioned a research project to assist in this endeavour. The project is expected to be completed by the end of September 2024, in time for the update of the next five-year plan for the Services SETA.

5.2.4. SSP Priority Actions Prior year reflections

This section examines the extent to which priority actions identified in the prior year's SSP have been achieved. The SSP 2024/25 had identified four priority actions. Significant progress has been made concerning all priority actions. These action plans informed both the Strategic Plan and the Annual Performance for the 2024/25 financial year. Achievements are outlined below.

a. Foster Inter-SETA collaborations and industry partnerships to promote SMME development in the services sector

In the 2023/24 financial year, the Services SETA forged successful partnerships with key role players in the SMME ecosystem. Focussing on emerging and growing partnerships, the Services SETA held joint capacitation sessions with the Small Enterprise Development Agency (SEDA), the Department of Small Business Development (DSBD), the Small Enterprise Finance Agency (SEFA), South African Franchise Association (SAFA), Harambee, Department of Employment and Labour (DoL) and the Institute of Business Advisors Southern Africa (IBASA), focussing on rural areas in the Eastern Cape, Limpopo, Mpumalanga, Northern Cape, North West and Free State provinces. Capacitation sessions were highly successful, with huge turnouts in all the sessions.

As a way of continuous support, the Services SETA identified emerging and growing SMMEs that require coaching and mentoring interventions and arranged for service providers to render the required assistance. The intervention is ongoing and is expected to run until September 2024.

b. Secure workplace training opportunities working in collaboration with the industry, employers, and the SETA

Pursuant to this Action Plan, the Services SETA provided funding for training opportunities to the Top 20 Levy Paying entities per chamber to promote their participation in the Services SETA learning interventions. The funding covered several learning pathways, including employed and unemployed learnerships, employed bursaries, RPL, AET and Candidacy.

While not all entities participated in the initiative, many did, with resounding results. This initiative will be continued into the 2025/26 financial year as funds reserved for this purpose are still available.

Furthermore, the Services SETA forged a collaboration with all six Universities of Technology to fund Work Integrated Learning programmes. All universities took up the offer, thus consolidating collaboration between the Services SETA and Universities of Technology for the first time.

c. Work with QCTO and industry role players to complete and implement registered occupationally directed qualifications

The relationship between the Services SETA and QCTO has improved drastically due to the steps the Services SETA undertook to support QCTO. The Services SETA has ranked the development of occupational qualifications as the highest strategic risk for the organisation. Efforts to mitigate this risk have been hampered by the lack of capacity at the QCTO, which affected the turnaround times and the ability of the Services SETA to develop occupational qualifications at the speed required.

To remediate this shortcoming, the Services SETA offered to provide funding for additional resources to support the QCTO in reviewing and recommending occupational qualifications for approval.

The QCTO accepted the offer and placed up to 35 University Interns on a one-year contract to provide support the QCTO. In addition, and as part of this package, the Services SETA made funding available for the appointment of Subject Matter Experts to address the backlog of review of occupational qualifications submitted for review and registration.

d. Strengthen alignment between industry needs and Services SETA supply through research, implementation, and structured M&E

Reasonable progress has been made in this regard. Every quarter, the Skills Planning Unit analyses learning interventions implemented against the SSP list of H-T-F-Vs, Skills Gaps, and Priority Occupations. The findings are communicated to learning interventions implementation departments, highlighting gaps and encouraging responsible departments to address the shortcomings.

The report is further shared with the Chamber Operations Department to understand training trends and inform the process accordingly. Slight progress has been made in this regard as the tendency is to implement learning interventions based on what training providers submit through the Discretionary Grant (DG) Window application process.

Where possible, learning interventions implementation departments engage with respective service providers to persuade them to implement learning programmes as per

the SSP. Additional measures to remediate this challenge are to specify occupational qualifications prioritised per learning intervention in line with the SPP in the DG Window specifications. The 2024/25 DG Window was specific in this regard. Progress will be closely monitored.

e. Implementation of an organisational-wide M&E Framework to improve performance management

The current Services SETA Accounting Authority and DHET places greater emphasis on the impact of our learning interventions. The objective is to change the lives of learners who are going through our learning interventions system for the better and to help grow the services sector economy. An effective M&E framework is an important tool for achieving this objective. The Services SETA has engaged a private provider's services to help develop an effective M&E framework for implementation in the 2024/25 financial year. This intervention comes on the back of a highly critical impact evaluation study the Services SETA commissioned. Key among the recommendations was the need to build effective M&E systems to monitor and review the impact of our learning interventions periodically.

5.3. Plan of Action

This section describes mechanisms that should be employed to strengthen the M&E function of the Services SETA and measures that should be implemented to improve the implementation of SETA planning documents (SSP, SP & APP) including measures that should be initiated to improve skills planning.

The Services SETA and other SETAs invested financial and human resources to develop a

PSET-wide M&E Framework. This framework further produced tools that can be used to implement the PSET-wide M&E Framework by SETAs and other PSET role players. This framework has been instrumental in informing M&E practices and decision-making at the Services SETA. Arising out of recommendations of this Framework, the Services SETA commissioned an impact evaluation study that evaluated Services SETA's strategic documents aligned with the mandate and the outcomes of these interventions.

This study has been instrumental in updating the subsequent SSPs, SPs and APPs. A further lesson from this impact evaluation study has been the need to develop a Services SETA-customised M&E framework with a clear Theory of Change and appropriate institutional mechanisms for effective implementation. As a result, the Services SETA has commissioned such a study with the final report due by 30 September 2024. The outcomes of this study will assist the Services SETA to develop a New Five-Year Strategic Plan with a clear Theory of Change and underpinned by an unambiguous M&E plan.

A further intervention in this regard has been the development of an organisational Annual Operations Plan. This plan aims to monitor the implementation of the Annual Performance Plan monthly to ensure the achievement of organisational targets and to ensure alignment with the SSP priorities.

5.4. Conclusion

This chapter discussed the skills planning process at the Services SETA regarding institutional arrangements and staffing capacity. It demonstrated the strong alignment between planning, and monitoring and evaluation at the Services SETA by ensuring that the functional departments work together and have the same reporting line. Secondly, the chapter reflected on progress against priority actions. Significant progress has been made in relation to providing support to SMMEs and improving working relationships with the QCTO. Reasonable progress has been made to develop an M&E framework which is expected to be finalised this financial year and will be implemented immediately.



DEVELOP & GROW

6 STRATEGIC SKILLS PRIORITY ACTIONS

6.1. Introduction

This chapter serves to consolidate and present the key skills findings from previous chapters, reflecting on strategic priority actions for the sector. The previous chapters provided the information and analysis, enabling a response in the form of planned actions that are realistic, consistent and achievable. While this chapter outlines a set of strategic skills and priority actions, it is important to note that it is not a detailed operational plan.

6.2. Findings from Previous Chapters

Chapter 1 highlighted that the South African economy is struggling to grow at the required pace and might be heading into a recession. While some underlying causes are within the control of the South African government, such as “international trade wars,” others are not.

Despite these challenges, the services sector remains central to the South African economy. This sector continues to lead in terms of contribution to the Gross Domestic Product, at 22%, despite the decline in the overall growth rate. The sector creates employment opportunities for more than 3 million people - an equivalent of 28% of the national employment rate. A challenge facing the sector is that it is shedding jobs at the lowest levels of the employment hierarchy, elementary and domestic workers. As pointed out above, this is the area where many employees in this sector are concentrated, more than 50%.

This state of affairs has profound implications for skills development, the need to up-skill lower-level workers to improve upward mobility and/or re-employment in other functional areas such as IT, and, most importantly, promoting

entrepreneurial development. There is a need to prioritise training in the SMME space to support growth. Research reveals that medium enterprises are more likely to create new jobs than large ones. Establishing the Strategic Partnerships department by the Services SETA to support Small Micro Enterprises (SMEs) is a timely intervention in this regard.

Chapter 2 addresses key drivers for change in skills development and their impact. Information and Communication Technology, Climate Change, Globalisation and the Economy were identified as key change drivers in the services sector. The 4IR has a profound impact across sub-sectors and industries. The most impacted sub-sectors include marketing, contact centres, labour recruitment, business and cleaning services. In addition, a longer-term view is required toward a just transition, recognising the impacts and social interventions needed to secure jobs as the economy shifts to sustainable production.

The skills development system needs to recognise the rapid pace of change and seek to be responsive and proactive. Displaced workers, those losing jobs through business closures, retrenchments, and obsolete skills, need to be a priority to stem the further growth of unemployment, which has already reached critical levels. Implications for skills development are that the sector needs to respond appropriately and fast enough to ensure access to these developments. There is a need to constantly review current qualifications and the training providers' readiness stage. The Services SETA is currently working with the industry to identify new qualifications that best meet the sectors' demands. Chapter 2 further highlights the alignment between the Services

SETA's skills development initiatives and key national policies such as the National Growth Plan, WP-SET, NSDP, NDP and ERRSS.

Chapter 3 discusses skills issues in the services sector. The chapter identifies vacancies that are difficult to recruit – hard-to-fill and skills gaps. Hard-to-fill vacancies refer to vacancies for which employers are unable to recruit or attract suitable talent for more than six months. This serves as an indirect indicator of skills scarcity within the sector. The emergent list of hard-to-fill vacancies indicates that the sector struggles to recruit for high-level skills (NQF Level 6 and above), such as managerial, professional, and technical occupational categories.

Moreover, IT-related skills seem to be in higher demand. These are regarded as productive occupations that largely drive economic growth in the sector. Equally, skills gaps are concentrated in social skills such as solving complex problems, people management, and cognitive skills.

The SPOI list of the Services SETA was developed using several data sources evaluated against the criteria of focusing on transformational and national imperatives and labour and social demands. This exercise resulted in a list comprising a mixture of hard-to-fill vacancies and trades. Significantly, the SPOI list was developed considering the need to balance supply across high, intermediary and entry-level qualifications.

The analysis of partnerships in Chapter 4 indicates the Services SETA's partnership model to promote access to skills development. Various strategies have been devised and implemented to increase access to skills development. These involve partnerships with universities, colleges (TVET and CET), government departments, and

state-owned entities and collaboration with other SETAs.

Chapter 5 addresses M&E practices at the Services SETA. It emphasises the centrality of performance information and audit reports in informing the organisation's decision-making process. Key information sources are derived from the pipeline analysis and risk analysis, and review exercise. This chapter further reflects on the Services SETA's performance against previous years' skills development priority actions. Four of the five action plans were achieved. Intervention measures have been put in place to realise the five-action plans.

6.3. Measures to support national strategies and plans

This section discusses national strategies and plans to which the Sector Skills Plan is aligned. It will also provide examples of interventions put in place to support this initiative.

NATIONAL SKILLS DEVELOPMENT PLAN, 2030

The Services SETA has (i) established two university research chairs, namely the M&E Research Chair (Rhodes University) and the Organising Framework for Occupations (OFO) Research Chair (REAL, WITS). It supports 16 Skills Development Centres across the country, with a particular focus on rural areas. It has collaborated with Motheo TVET College and the Construction SETA to construct a National Artisan Academy in Mangaung. An Entrepreneurship and Cooperative Development Institute has been launched to support SEDA and SEFA in growing SMEs.

REIMAGINED INDUSTRIAL STRATEGY

This policy aims to spur economic growth and development potential in both local and international markets (global value chains).

Re-industrialisation and localisation hold great potential if successfully achieved. South Africa faces high unemployment rates and an enormous skills shortage, which will obstruct the drive for reindustrialisation before it starts. Over 6 million South Africans are unemployed; youth unemployment remains stubbornly above 50% (Business Day, 2018). Skills interventions are required to support the Department of Trade and Industry's (dti's), IPAP, Special Economic Zones (SEZs), and designated trades including those related to contact or call centres and business advising.

ECONOMIC RECONSTRUCTION AND RECOVERY PLAN

The ERRP aims to boost economic growth following the long spell of negative growth exacerbated by COVID-19. The Plan identifies key sectors of the economy that require urgent attention. The services sector is one of the industries identified. The DHET's ERRSS identifies key occupations and skills gaps needed to support the implementation of the ERRP. The Services SETA has identified these occupations and skills gaps for inclusion in the current SSP.

The Department of Higher Education, Science, and Innovation has developed a skills development strategy to support this initiative. The Services SETA has identified scarce and critical skills the Department prioritises for

inclusion in this SSP update. These include Call or Contact Centre Manager, Quality Manager, Contact Centre Resource Planner, Contact Centre Forecast Analyst, Call or Contact Centre Manager, Inbound Contact Centre Consultant, Outbound Contact Centre Consultant, Contact Centre Real Real-Time Advisor, and Call or Contact Centre Agent. These lists of scarce and critical skills have been incorporated into hard-to-fill vacancies, skills gaps, and priority lists for implementation in the next financial year. Efforts are also underway to accommodate these lists in the 2024/25 financial year.

PRESIDENTIAL YOUTH EMPLOYMENT INTERVENTION

As illustrated in Chapter 2, the Services SETA has aligned its internship programmes for CET colleges, TVET college and University graduates to support the presidential initiative. Annual targets are set in consultation with DHET and monitored quarterly, bi-annually and annually.

NATIONAL DIGITAL & FUTURE SKILLS STRATEGY

This is an initiative by the Department of Communications and Digital Technologies. The aim of this strategy is to develop a roadmap for priority digital skills action points and A roadmap for stakeholder collaboration. It has eight Strategic Levers. Three of these Levers speak directly to the mandate of SETAs.

Table 24. Services SETA's Response to the National Digital Skills Strategy

Strategic Lever	Description	Services SETA response
Digital Foundations Basic and Intermediate Skills – Lever 1	Digital Curricula: curriculum development initiative needs to be undertaken for computing, coding and a wide range of digital skills relevant to the continuously evolving digital skills requirements.	Identification and development digital skills needs for the services sector.
Digital Futures and Mastery – Lever 2	Open online courses: viable model for the development and rollout of open online courses covering digital skills is essential to ensure scalability and sustainability.	Aggressive rollout of current e-learning platform and inclusion of more programmes for wider impact.

Strategic Lever	Description	Services SETA response
Skills for Industry 4.0 and the World of Work – Lever 3	Digital skills for Economy 4.0: All 21 (SETAs) must incorporate digital skills planning in their sector skills plans.	Identification and inclusion of digital skills needs for the services sector in the Services SETA's SSP.
Research on digital skills, digital disruption and the labour market	Annual SETA surveys to focus on current and future digital skills needs emerging in South African industries, and forecast skills gaps and needs.	Inclusion of research studies on digital skills in the SSP research agenda.
Funding for Digital Skills – Lever 8	Funding for digital skills: SETAs should consider funding for basic digital skills sets; SETAs to include sectoral appropriate digital skills development within training programmes and internships.	Services SETA SSP has identified basic digital skills demanded by the services industry and these are addressed through APP.

6.4. Recommended Priority Actions

In line with the SSP Framework and Guidelines, the Services SETA has developed SSP Priority Actions over the years. These actions were monitored continuously to track progress. Where sufficient progress had been made, concerned priority actions were retired or modified to align with current developments in the industry and sector at large. Table 25 provides a high-level analysis of changes to priority actions over the last five years.

Table 25. Changes in Priority Actions, 2020/21-2024/25

Recommended Actions	Changes over time				
	2020/21	2021/22	2022/23	2023/24	2024/25
1. Promote social and circular economy through entrepreneurship and cooperative development initiatives.	Yes	Yes	Modified	Modified	Modified
2. Increase throughput rate of occupationally directed qualifications through mobilisation of key industry role players.	Yes	Yes	-	-	-
3. Improve the pipeline of supply by ensuring relevance of qualifications and capacitation of training providers, including TVET Colleges.	Yes	Yes	-	-	-
4. Expand access to skills development to employees and learners residing in rural and peri-urban areas of South Africa.	Yes	Yes	-	-	-
5. Secure workplace training opportunities working in collaboration with the industry, employers, and the SETA.	-	-	Yes	Yes	Yes
6. Work with QTCO and industry role players to complete and implement registered occupationally directed qualifications	-	-	Yes	Yes	Yes
7. Strengthen alignment between industry needs and Services SETA supply through research, implementation, and structured M&E.	-	-	Yes	Modified	Modified

Overall, the Services SETA has been responsive to changes in the sector and the general economy, as demonstrated by changes in priority actions, which frequently responded to new challenges. The economy has changed rapidly and often in the past four years, mainly due to the COVID-19 pandemic and global geopolitical events. The pandemic almost paralysed the global economy, requiring businesses to change operations to respond to the challenges effectively. Conflicts in Europe and the Middle East affected the supply of energy, together with COVID-19, driving inflation and business costs.

Simultaneously, a few priority actions were retained over time, even though in a changed format. This is once again a testament to the Services SETA's efforts to respond to industry needs. Priority actions requiring mention in this context include support to SMMEs and effective M&E practices at the Services SETA. The growth of the SMME sector remains a top priority of the government and that of the Services SETA, given the critical role this sector plays in the growth of the economy and the creation of job opportunities. Effective M&E practices are crucial to measuring the impact of the Services SETA in the services sector and informing decision-making processes.

The following Priority Actions will be prioritised for the 2025/26 financial year:

a. Implementation of an organisational-wide M&E Framework to improve performance management

The M&E framework, currently under development, will be ready for implementation in the second quarter of the 2024/25 financial year. Considering the abovementioned discussions, it is important to pay attention to this Action Plan. The focus on impact is also aligned with the DHET programme on the SETA *Integrated High Impact Programme*. The aim is to train for impact and continuously monitor and evaluate impact and draw lessons for best practice.

b. Foster Inter-SETA collaborations, industry and government partnerships to support skills development in the services sector

Collaborations and partnerships remain critical to the Services SETA fulfilling its mandate. The complementary nature of Services SETA's work with other key PSET role players makes it imperative to forge collaborations and

partnerships with like-minded entities. The SETA *Integrated High Impact Programme* discussed above also emphasises collaborations and partnerships among SETAs. The Services SETA will leverage these opportunities to deliver quality service to industry stakeholders and beneficiaries.

c. Work with QCTO and industry role players to complete and implement registered occupationally directed qualifications

Closer collaboration between the Services SETA and QCTO has resulted in huge improvements in relation to the development of occupational qualifications. This progress, notwithstanding, there is still more work to be covered in this space. There are many occupational qualifications developed by the Services SETA with active participation of industry that await review and approval by QCTO. The backlog is largely due to the lack of human resource capacity at the QCTO. The Services SETA has offered to support the QCTO with additional resources in the form of Interns and Subjective Matter Experts. This offer has been well received and is at final stage of conclusion. The Services SETA will continue to work with QCTO to realise the objective of building capacity to supply through relevant and updated occupational qualifications to meet industry needs.

d. Drive adoption of Technology and Digitisation in the services sector and address mismatch between demand and supply

4IR is one of the key drivers of skills demand-supply in the services sector, as illustrated in Chapter 2 of this SSP. In addition, the government's ERRP has identified digital skills as one critical intervention area for growing the economy and creating job

opportunities. The Services SETA would like to devote special attention to this action plan to ensure alignment with national priorities and to support the services sector in growing and thriving. This will be supported through research and development of relevant occupational qualifications to upskill the services sector workforce.

e. Support economic recovery and growth through promotion of SMME development in the services sector

Chapter 1 painted a gloomy picture of the South African economic landscape, characterised by uneven growth and stagnation. Research indicates that in addition to driving the manufacturing sector, economic growth can be realised by promoting the SMME sector. SMMEs are regarded as better entities to grow the economy and create jobs. As new entrants into the market, SMMEs are flexible and take advantage of the prevalence of dominant economic activities in niche markets to grow their operations. As they grow their operations, revenue increases, and more jobs are created. SMMEs are also linked to the promotion of transformation as most SMMEs are women, mostly black and young.

The services sector is characterised by a high prevalence of SMMEs. The Services SETA will continue to invest heavily in this sector through various interventions, not limited to training or capacity building but also including ongoing support in the form of mentoring and coaching. Collaboration with funding agencies will establish essential social and financial capital networks by directly linking SMME role players to these critical agencies. Over the years, the Services SETA has cultivated healthy collaborative partnerships with these agencies.

6.5. Conclusion

This chapter summarises chapters 1-5, emphasising implications for skills development and interventions developed by the Services SETA to respond to these implications. Key priority actions to address skills demand and supply for the services sector have been outlined.

BIBLIOGRAPHY

DHET. (2023) Statistics on Post-School Education and Training in South Africa: 2023. Published by the Department of Higher Education and Training. www.Dhet.gov.za

DHET. (2023) Statistics on Post-School Education and Training in South Africa: 2020. Published by the Department of Higher Education and Training. www.dhet.gov.za

DHET. (2023) Statistics on Post-School Education and Training in South Africa: 2023. Published by the Department of Higher Education and Training. www.dhet.gov.za

DHET. (2023) Statistics on Post-School Education and Training in South Africa: 2018. Published by the Department of Higher Education and Training. www.dhet.gov.za

DHET. (2023) Statistics on Post-School Education and Training in South Africa: 2017. Published by the Department of Higher Education and Training. www.dhet.gov.za

DHET. (2023) Statistics on Post-School Education and Training in South Africa: 2016. Published by the Department of Higher Education and Training. www.dhet.gov.za

DHET. (2023) Statistics on Post-School Education and Training in South Africa: 2015. Published by the Department of Higher Education and Training. www.Dhet.gov.za

DHET. (2023) Statistics on Post-School Education and Training in South Africa: 2013. Published by the Department of Higher Education and Training. www.Dhet.gov.za

DPME. (2024). Medium Term Strategic Framework: 2019-24. Published by the Department of Performance Monitoring and Evaluation. https://www.dpme.gov.za/keyfocusareas/outcomesSite/MTSF_2019_2024/2019-2024%20MTSF%20Comprehensive%20Document.pdf

Statistics South Africa (2022a) Gross Domestic Product, First Quarter 2022 [online]

Statistics South Africa (2022b) Quarterly Labour Force Survey, First Quarter 2022 [online]

Statistics South Africa (2020b) Business impact survey of the COVID-19 pandemic in South Africa [online]

Statistics South Africa (2021a) Gross Domestic Product, Fourth Quarter 2020 [online],

Statistics South Africa (2020b) Business impact survey of the COVID-19 pandemic in South Africa [online]

Statistics South Africa (2020a) Gross Domestic Product, Fourth Quarter 2019 [online]

Statistics South Africa (2020b) Business impact survey of the COVID-19 pandemic in South Africa [online]



HEAD OFFICE
15 Sherborne Rd, Parktown,
Johannesburg, 2193
Email: customercare@serviceseta.org.za
Call: 011 276 9600