

Baseline Skills Audit

Analysis of Available Skills in the Saldanha Bay Municipality

Implemented by: Ecorys and Saldanha Bay Municipality

Saldanha 16 March 2012



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Richard Liebrechts
Patrick Lakabane

Saldanha, 16 March 2012

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2g@there Summary (in Dutch)

Ten behoeve van de rapportage richting Agentschap NL zijn de uitgevoerde activiteiten en resultaten van de studie in onderstaande tabel samengevat. Voor het volledige studierapport verwijzen wij naar de hoofdstukken 1-5 van dit rapport.

Studie	A1.11 SCTB Skills needs and development study
Doelstelling studie in oorspronkelijk jaarplan:	<ol style="list-style-type: none"> 1. Baseline survey: In kaart brengen van het huidig niveau van kennis en vaardigheden in de voor industriële ontwikkeling relevante kennisgebieden en sectoren; 2. Gap analysis: Vergelijking huidig niveau met het internationaal vereiste niveau; 3. Bridging the gap: Voorstellen doen voor gezamenlijke onderwijs- en trainingsactiviteiten tussen Zuid Afrikaanse en Nederlandse instellingen.
Ondernomen activiteiten:	<ol style="list-style-type: none"> 1. Baseline survey (pilot): <ul style="list-style-type: none"> • Samenwerking met Saldanha Bay Municipality (SBM); HR Department, lead consultant industrial development, afdeling Strategic Services, Extended Public Works Programme en lokaal aangetrokken project manager • Ontwikkeling vragenlijst voor dataverzameling • Skills audit meetings in de 12 wijken van de Saldanha Bay gemeente • Ontwikkeling database • Verwerken van gegevens van 4.500 mensen in database • Vervolginterviews ter verificatie en uitbreiding informatie en verkrijging van goedkeuring gebruik van gegevens in vervolg trainingsactiviteiten • In kaart brengen huidig trainingaanbod in de regio 2. Gap analysis: <ul style="list-style-type: none"> • In kaart brengen typische job profiles in elk van de vijf sectoren die als kansrijk worden gezien voor ontwikkeling in Saldanha • In kaart brengen aantal en type banen, in bouwfase en daarna, zoals verwacht door de belangrijkste 5 bedrijven met concrete investeringsplannen in Saldanha 3. Bridging the gap: <ul style="list-style-type: none"> • Gesprekken in Nederland met Deltametaal, MBO-raad, ROC Aventus • Gesprekken in Zuid Afrika met Seta's, Construction Seta, DBSA, Provinciale overheid, DTI, Department of Basic Education, Department of Higher Education • Voorstellen in gediend bij Construction Seta, DBSA, DTI t.b.v. ontwikkeling IDZ school
Behaalde resultaten:	<p><i>Inzicht:</i></p> <p>Door de activiteiten die tijdens deze pilot studie zijn uitgevoerd hebben SBM en Ecorys inzicht verkregen in zowel de aanbod- als de vraagkant van de huidige en toekomstige arbeidsmarkt in SBM. Zowel het bestaande opleidings- en kennisniveau in de gemeente als de verwachting t.a.v. type en omvang van werkgelegenheid zijn in kaart gebracht. Dit was niet eerder gedaan. Bovendien zijn belangrijke lessen geleerd voor eventueel herhaling en uitbreiding van de studie naar andere gebieden in de West Coast District Municipality. Op basis hiervan hebben Ecorys en EyeOn Business Development een duidelijke plan neergelegd voor 'community skills upliftment': het overbruggen van het gat tussen de vraag naar en de kwaliteit van arbeid.</p>

	<p><i>Reputatie:</i></p> <p>Door ontwikkeling database heeft Ecorys krediet opgebouwd bij de gemeente, de lokale gemeenschap en provinciale en nationale instanties die zich met onderwijs en training bezighouden. De investering wordt duidelijk gezien als een teken van betrokkenheid en opent duidelijk deuren.</p> <p><i>Kans op vervolgwerk:</i></p> <p>DTI en de Provinciale overheid hebben interesse getoond in de resultaten van de database, alsmede in het gebruik en de jaarlijkse uitbreiding van de database en het opzetten van een Industrial Skills Academy en Human Resource Centre. DTI is op dit moment technical teams aan het opzetten om te komen tot 'satellite schools' in elk van de vijf dorpen in de gemeente. Ecorys wordt hier bij betrokken. De pilot opzet schept mogelijkheden om de audit ook in andere gemeentes uit te voeren, voortbouwend op de lessen geleerd in deze eerste studie.</p>
Input in dagen en kosten:	<p>Werkdagen (subsiabel): 49 dagen * EUR 700</p> <p>Inhuur derden (subsiabel): EUR 26.239</p> <p>Overige kosten (niet subsiabel): divers</p>
Heeft u uw activiteiten moeten aanpassen door ontwikkelingen op de lokale markt?	<p>Omdat de integrale ontwikkeling van haven en IDZ niet op de agenda stond is de studie tot nu toe beperkt gebleven tot de vaardigheden en kennis en bouw en nijverheid en de maakindustrie. De maritieme sector is nog niet aan de orde geweest. STC is derhalve niet bij de implementatie van de studie betrokken.</p> <p>Verder bleek Stellenbosch Universiteit alleen over macrogegevens te beschikken, waardoor we alleen met partners uit Saldanha hebben samengewerkt.</p>
Zijn de behaalde resultaten in lijn met uw oorspronkelijke verwachtingen?	<p>De resultaten zijn beter dan we vooraf verwacht hadden. De database met 4.500 personen is een zeer effectief instrument gebleken om als mogelijke dienstverlener in beeld te komen. Wij hebben grote verwachtingen voor 2012 om tot een nadere uitwerking te komen van de 'Industrial Skills Academy'. Eind december heeft DTI aangegeven ons idee rond de Industrial Skills Academy stapsgewijs uit te willen voeren. Eind maart roept DTI een eerste meeting van Technical Task Team bij elkaar om dit te realiseren. Ecorys is hier ook voor uitgenodigd. Verder zijn er in januari gesprekken geweest om STC-SA ook bij dit proces te betrekken.</p>

1 Introduction and Background to the Audit

The Saldanha Bay Municipality is on an ambitious growth path towards developing the port and back-of-port area. Attracting (international) investors will create job opportunities and foster regional economic growth. Within the current South(ern) African context competition for these jobs will be fierce. Earlier experience in the mid-1990s with Saldanha Steel shows that large investment projects can provoke an influx of unemployed from other parts of the country that greatly exceeds the total number of jobs available. This puts a burden on the municipality and increases tension among the local workforce and between the local and incoming people. Experience also demonstrates the need to upgrade workforce skills in the region in order not to be left out of the opportunities brought about by the expected economic developments.

Earlier labour skills audits that we are aware of¹ had a top-down approach and looked at typical job profiles per sector, assessed required educational backgrounds, and tried to translate these into a macro level assessment of the training needs in the region to accommodate expected (sectoral) job opportunities. Challenges that would subsequently follow out of these analyses include identifying and contacting training candidates, making sure people are able to commute to trainings throughout the training period, organising and financing of trainings, and making sure that the level of the trainings would be up to the global competitive standards.

Government bodies such as CETA, Merseta, and CIDB face similar challenges. Whilst being confronted with ambitious targets on numbers of people to be trained annually, CETA faces difficulties to hit these numbers and actually spend the funds available for it. Simultaneously, CIDB is confronted with the fact that people who have received trainings are often under qualified to match the requirements set by international companies.

Within the context of the 2g@there programme, Ecorys provided for conducting a pilot Baseline Skills Audit. In this audit we have taken a bottom-up approach by organising community driven workshops. The Baseline Skills Audit was conducted in close cooperation with the Saldanha Bay Municipality. This audit consists of three parts:

- I. To develop an accurate database of available skills in the region;
- II. To gain a preliminary understanding of the gaps currently prevailing in the region between existing skills and skill profiles required by international companies; and
- III. To assess appropriateness and adequacy of the existing training and education offer.

For each of these phases, Ecorys has developed tailored questionnaires.

Ecorys and the Saldanha Bay Municipality have set up a Project Steering Group, consisting of:

- the Ecorys Team Leader, Richard Liebrechts, or his representative Mr Peter Stuivenberg;
- the acting Head of the municipal HR Department, Ms Ronel Hendricks;
- the municipal IDZ Specialist, Mr Shane Cordon; and
- the Programme Manager, Mr Patrick Lakabane.

This document reports on the approach, results, and lessons learnt of the baseline skills audit.

¹ Such as the study undertaken by the West Coast District Municipality in 2006, and a study of 2010 undertaken for the Oil and Gas industry.

2 Approach

2.1 Introduction

In this Chapter we describe the objectives of the baseline skills audit and our approach to achieve these objectives.

2.2 Background

Regional economic and industrial development obviously has its positive and negative impacts on a region and its communities. Job creation, both directly and indirectly, is one of the most immediate positive effects of economic development. Sustainable employment and career path development will improve the circumstances individual households live in and the increase in purchasing power will subsequently lead to more demand for services and consumer goods and thus further stimulate the regional economy

Prevailing professional and public opinions on the current skills base in the West Coast agree that skills development is required to ensure local communities take part in reaping the benefits of upcoming developments. For example, the oil rig that was brought into the Port of Saldanha for emergency repairs required one million labour hours to be serviced. Most of this labour, around 70 per cent, was imported from Cape Town, some from other areas in South Africa and from abroad, and only a limited amount of labour came from the West Coast. Of the thirty Saldanha-based people that applied for welding positions, only three were employed during the project. The sector that benefited most from this project was the hospitality industry, with booming occupancy rates and restaurant bookings in an otherwise quiet winter season.

Skills development and general upliftment will be crucial for local communities to partake in the benefits of economic development. Basic education, occupational and vocational training, as well as life- and occupational skills trainings need to be upgraded to match with requirements of existing and incoming international industries. It is of equal importance to train for jobs: gearing up an entire generation for professions that do not exist or might not be created in the near future will lead to devastating outcomes in employment rates. Matching the supply and demand side of the labour will therefore be critical in achieving local targets for employment creation and economic development.

2.2.1 *Categorisation of existing labour force*

We identify five different types of people present in the local workforce:

- Unemployed youth, aged 16-25, with limited to no employment experience;
- Unskilled and unmotivated: People with limited to no employment experience, socially disabled, possibly due to drugs, alcohol abuse or other;
- Unskilled yet motivated: People that have never had the opportunity to enjoy training, yet are eager to learn and ready to step up on their skills profile once given the opportunity;
- Skilled yet not certified: People that have been in their job(s) for quite some years but without the necessary certificates to be recognised as skilled workers by (international) companies starting up in the region; and
- Skilled and certified: Typically the group that would require limited training to be employed by international companies. Detailed analysis should be conducted, however, to assess the need

to subdivide this group between people that have accurate and up-to-date certificates and people that have obtained these certificates without actually enjoying any training.

When obtaining an official diploma of any Further Education and Training institute or Higher Education would be the ultimate goal, we conclude that each category would need its own approach to training. The training needs for these categories could be divided as follows:

Table 1 Training needs per labour force category

Category of labour force	New labour force potential (High/Medium/Low)	Training approach
Unemployed youth	High	<ul style="list-style-type: none"> Public education programmes of 4-5 yrs Professional skills programmes with investors
Unskilled and unmotivated	Low	Rehabilitation programmes geared to employment in basic public services
Unskilled yet motivated	High	Public education programmes of 4-5 years
Skilled yet not certified	Medium (High?)	Crash courses of 2-3 months
Skilled and certified	Medium (High?)	<ul style="list-style-type: none"> Check certification against global standards On-the-job training

2.3 Objectives of the Baseline Skills Audit

With the above categorisation in mind the Baseline Skills audit was designed as a bottom-up inventory of available skills in the region. The objectives of this Baseline Skills Audit were:

1. To develop an accurate database of available skills in the region.

Collect information about current competencies (knowledge, skills and attitude), formal qualifications, work experience (formal and informal), participation in recent (re)training activities (on- and off-the-job), motivation/ambition and willingness to enter (re)training activities, and impediments to the participation in (re) training activities. This information was collected for all 12 wards, gender and race in SBM.

2. To gain a preliminary understanding of the gaps currently prevailing in the region between existing skills and skill profiles required by international companies.

Collect information among employers on current skills of employees and skills gaps which need to be filled, including a job breakdown for new industries and expenditure on training and recruitment and views as to future business prospects.

3. To assess appropriateness and adequacy of the existing training and education offer.

Collect information among training providers and educational institutions about the adequacy of existing training facilities; enrolment levels for specific courses; peak training periods; employer attitudes to training; linkages from training into employment and back; any employment outcomes from training courses; links between on- and off-the-job training; and impediments to the provision of training.

2.3.1 Develop an accurate database of available skills in the region

To really be able to identify existing skills in the region Ecorys and SBM decided to roll out a workshop programme going into all the wards of the Saldanha Bay Municipality. The purpose of this

workshop programme was to distribute the Baseline Skills Audit Questionnaire designed by Ecorys Africa and thus to collect information on available skills in each ward.

Ecorys recruited a multilingual local project manager in order to address each of the wards in the language predominantly prevailing in the specific ward. The questionnaire developed was presented to all 12 wards in the municipality. Tasks of the project manager were to:

1. Announce the community workshops and ensure wide participation in the workshop, via the production of pamphlets, posters, door-to-door announcements;
2. Engage the ward leader of each community both in encouraging people to participate in the audit and to do a word of welcome in the workshop(s) in his/her ward;
3. Organise community workshops in each of the 12 wards: data collection.
The purpose of these workshops was to inform the communities about the purpose of the baseline skills audit, to inform the communities about the industrial developments in the region, and to fill out the questionnaire. The project manager guided participants through the questionnaire in English, Afrikaans, and if required in Xhosa and/or Sotho. For each ward at least one workshop was organised and in some wards separate workshops had to be organised to reach all communities scattered over the ward;
4. Organise 2nd round of community workshops in each of the 12 wards: gap analysis.
The purpose of these workshops was to interview the persons who issued a form in order to identify the interest, qualifications, eventually the gap in training and/or certification and the type of assessment needed. In addition newcomers could fill out previously issued questionnaire to take part in a next round of this process;
5. Manage the employees hired by the Saldanha Bay Municipality under the Extended Public Works Programme (EPWP) in distributing the questionnaires among participants, collecting forms after completion, inviting people for interviews by phone, conducting the interviews, and completing the forms after the interviews;
6. Protect confidentiality of information and prevent forms from getting lost;
7. Participate in the project steering group meetings;
8. Assess continuously:
 - the effectiveness of the overall approach in giving presentations at the 12 wards;
 - the quality of the questionnaire, with regard to comprehensiveness and quality of data collected.
9. Update the team leader on a regular, at least bi-weekly basis on the progress made.

The main results envisaged for this part of the audit were to ensure that 5,000 questionnaires shall be completed by different people residing in the Saldanha Bay Municipality. On the basis of these questionnaires, we expected to identify at least the following numbers of skilled people:

- 500 construction workers/brick layers;
- 200 home electricians;
- 200 plumbers; and
- 100 divers (foreman, etc.)

2.3.2 Gain a preliminary understanding of gaps between existing and required skills

After an initial identification of existing skills we decided to assess the expected employment and type of employment to be created in the next 5-10 years. This was done in two ways:

- a. A mapping of typical job profiles in each of the five sectors identified to be promising for future development in Saldanha:
 - a. steel and minerals production and downstream manufacturing;
 - b. rare metals processing;
 - c. oil and gas supply base/hub;

- d. shipbuilding and repair; and
 - e. renewable energy production and manufacturing.
- b. Mapping of number and type of temporary and permanent jobs expected to be created by five companies that have indicated their investment plans in the Saldanha Bay area.

2.3.3 To assess appropriateness and adequacy of the existing training and education offer

On the basis of an interview programme with existing public and private training providers and industries we have assessed the appropriateness and adequacy of existing training and education offer. Organisations interviewed include: Dormac, Business Connexion, Arcelor Mittal, Exxaro, CETA, Merseta, CIDB, West Coast FET College, Allweld, Hansing Engineering, Damelin, DBSA, and WestTech.

Reference was also made to the UWC study undertaken as part of the IDZ feasibility study.

3 Results of the audit

3.1 Skills database

The workshops were conducted in a maximum of four languages: English, Afrikaans, Xhosa and Sotho, depending on the need. Initially, more than 5,000 people were reached from April till June and from September till November 2011. The following wards were reached;

- Ward 1 - Middelpost
- Ward 2 - Witteklip (2 meetings)
- Ward 3 - White City
- Ward 4 - Diazville (2 meetings)
- Ward 5 - SaldanhaTown (2 meetings)
- Ward 6 - Langebaan
- Ward 7 - Hopfield
- Ward 8 - Vredenburg
- Ward 9 - Ongegund
- Ward 10 - Louwville (2 meetings)
- Ward 11 - Paternoster (3 meetings)
- Ward 12 - Laingville

It was difficult though to keep an attendance register since most of our meeting were attended to full capacity and the control of such a register became impossible to manage. The huge turnout and the subsequent follow-ups and inquiries for more questionnaires proved a follow-up session in most of the wards to be essential.

The local skills database that is being populated contains currently data of around 4,500 people living in the Saldanha Bay municipal area. The database contains information about:

- Current competencies (knowledge, skills and attitude), formal qualifications;
- Work experience (formal and informal);
- Participation in recent (re)training activities (on- and off-the-job);
- Motivation/ambition and willingness to enter (re)training activities;
- Impediments to the participation in (re) training activities; and
- Candidates' approval to use information and approach candidate for further training activities.

Interview programme

This phase entails the physical interview with the applicants. At these interviews the information given by the applicant regarding their contact details, education, further training and any qualification was verified. Any new changes on employment were also verified. The same approach was used as in the first round where we go from ward to ward in order to bring the interviews closer to the people.

Various challenges were however experienced, including:

- Applicants not accessible on the contact details initially provided; cell phones got lost or were not properly RECA'd;
- Applicants not showing up for the interviews;
- Delays in data capturing and subsequently interview questionnaires were not ready on time;

- The availability of only one telephone line and, at a later stage, limited budget per phonenumber;
- The limited availability of the EPWP workers, partly due to the fact that the municipality provided them with additional tasks.

When the EPWP workers were no longer available from November onwards we decided to postpone further activities until after the summer holidays. The interview programme recommenced end of January and is still going on.

3.1.1 Results to date

During the first round of community meetings we have captured data of 4,424 people. The following statistics can be derived from this:

Category	Indicator & value
Language	% of total
<ul style="list-style-type: none"> • English (speaking - reading - writing) 	87% - 86% - 85%
<ul style="list-style-type: none"> • Afrikaans (speaking - reading - writing) 	77% - 70% - 68%
<ul style="list-style-type: none"> • Xhosa (speaking - reading - writing) 	49% - 47% - 45%
<ul style="list-style-type: none"> • Sotho (speaking - reading - writing) 	11% - 9% - 9%
Education (99% response rate)	Number (% of total)
<ul style="list-style-type: none"> • General education (Up to Grade 9) 	1,658 (38%)
<ul style="list-style-type: none"> • Further education (Grade 10) 	880 (20%)
<ul style="list-style-type: none"> • Further education (Grade 11) 	760 (17%)
<ul style="list-style-type: none"> • Further education (Grade 12) 	976 (22%)
<ul style="list-style-type: none"> • Higher diploma 	88 (2%)
Employment (76% response rate)	% of total
<ul style="list-style-type: none"> • Never held a formal job 	29%
<ul style="list-style-type: none"> • Held a formal job less than two years ago 	39%
<ul style="list-style-type: none"> • Currently have a formal job 	31%
Enterprise development (92% response rate)	
<ul style="list-style-type: none"> • Has his/her own business 	3%
<ul style="list-style-type: none"> • Does intend to start his/her own business 	72%
<ul style="list-style-type: none"> • Does not intend to start his/her own business 	25%

To date, a total of 800 people has participated in the interview programme. Ecorys is currently exploring options to continue the interview programme with alternative sources of financing.

3.2 Job breakdown of incoming industries

To be able to identify the gap between existing and required skills in the five sectors, we have tried to identify the typical job breakdowns per sector in number and type of jobs expected. A division was made here between the construction phase and operations phase. As an example, the table below presents the indicative job breakdown of industries in the minerals sector that expect to start the construction of their factories within two years. It combines data of three companies: Rare Metals Industries (RMI, Russia/SA, construction phase to commence Q1/2 2014), Frontier Rare Earth (Canada, Q3/4 2013), and Rare Earth Minerals (UK, Q3/4 2013). The job breakdowns per sector were prepared by EyeOn Business Development at the request of Ecorys.

Table 2 Job breakdown incoming industries – Minerals Sector

		RMI	Frontier	REM
Construction phase				
Plumbers, brick layers, electricians, roof fitters, civil and road workers, etc	Not specified	> 5,000 combined		
Non Shift personnel				
Unit production managers	BSc + MBA	10	2	2
Unit Maintenance Managers	BSc +post graduate	10	2	2
Unit Engineers	BSc	10	2	2
Senior Technicians	diploma	30	3	3
Technicians	diploma	60	6	6
Maintenance foreman	Trade+diploma	60	5	5
Administrative Staff		500	50	50
IT and other Systems		50	3	3
HR Department		10	3	3
Training Department		40	2	2
Marketing Department		60	4	4
Laboratory incl R&D Dept		60	4	4
Sub total		900	86	86
Shift personnel - operations				
Instr. Technicians (Diploma)	diploma	60	6	6
Electricians	trade certificate	60	6	6
Fitter and turners	trade certificate	32	3	3
Welders	trade certificate	32	4	4
Skilled labour	Pre trade certificate	200	15	15
Semi-skilled labour		500	50	50
Sub total		884	84	84
Shift personnel - maintenance				
Chief operators	diploma	40	2	2
Senior operators	trade	60	5	5
Operators	trade	120	8	8
Fire department		60	8	8
Medical department		32	4	4
Security department		620	40	40
Sub total		932	67	67
Divers				
Divers	diploma, unskilled	144	10	10
Total		2,860	247	247

It is clear from this table that the minerals sector alone could create more than 3,000 sustainable jobs in the Saldanha Bay area. It is noted that some of the requirements in the breakdown needed to be inflated to comply with job creation requirements. This particularly applies to the administration and security workers.

The development of Saldanha as an oil & gas supply-base hub can create job opportunities and the development of a local supply chain in arease such as construction, fabrication, welding and grinding, gas and lubricants, painters, equipment supply, PPE (Safety Equipment), material

supply, installations, specialist services, transport, catering, general labour, barge support vessels, onshore services and maintenance.

In order for the local labour force to be employed further training programmes need to be set up in the area. Earlier experience demonstrates transportation problems to provide a major obstacle for trainees to show up and complete the programmes.

3.3 Existing training and education offer

The main public training institution in the Saldanha Bay area is the West Coast College in Vredenburg. West Coast College is a public Further Education and Training (FET) College, provide National Certificate Vocational (NCV) accredited programmes, Learnership Programmes, and Short Skills Programmes.

Private training providers include Allweld, Hansing Engineering, Damelin, and WesTec. Some of these training organisations emerged as an answer to the poor quality of the public training programmes. Companies such as Allweld and Hansing Engineering have become very successful in their own niche and respond to the international quality demands and standards.

Companies in the area complain about the poor skills of graduated trainees. From our interviews with Dormac, Business Connexion, Arcelor Mittal, Exxaro, and SeaHarvest, incoming industries such as RMI and Frontier Rare Earth, as well as the CETA, Merseta, CIDB, and the above-mentioned training providers it is clear that the training and education outcomes in South Africa often do not match the internationally required standards. In Chapter 5 we discuss our proposals to deal with this systemic problem.

4 Lessons learnt

The baseline skills audit was set up as a pilot project. As the first bottom-attempt in years to identify existing skills in the area this study has tested the water and learnt valuable lessons that can be used in similar audits in the near future. The approach to actually go into the wards and have people participate in such great numbers has created several managerial and organisational challenges. Lessons that we have learnt from this include:

- Management of expectations is key. What we have done right was to tell people whom we work shopped that we would be back within three months and we have done so. By doing this we have won their trust and respect and we need to maintain it;
- Many of the low-skilled labour force are sceptic about the fantastic future Saldanha has ahead of it. They are hungry for actual developments, jobs and opportunities. They understand they need to be trained to stand a chance;
- Life skills are a fundamental problem in the area. The 'hand-holding' mentality is dominantly available and private initiatives and entrepreneurship are scarce;
- The baseline skills audit needs to be followed up with actual training programmes to avoid further disappointment in the communities and associated social stability risks;
- Training for jobs is essential. If we manage to get training programmes started up they need to be tied to employment;
- Reaching people to attend the meeting proves challenging with cell phones getting lost or stolen, no availability of internet, etc. Practical solutions were found to overcome this problem, but a more systematic, regular communication with communities would clearly improve the flow of information to and from the municipality. This would subsequently avoid emergence of unrealistic expectations;
- The possibility to have the audit done electronically with the Telematics department of the University of Stellenbosch should be explored;
- The questionnaire should undergo a number of slight revisions in case the audit will be repeated.

The importance and need for this project can be witnessed by the manner in which people have responded the past few months. New application forms are still coming in and more people ask for questionnaires. The interview round is currently still going on and the need for the type of information collected during the study is high among public and national authorities and the private sector.

5 Follow-up

5.1 Introduction

The baseline skills audit has opened doors to several important roleplayers. Over the course of this year, Ecorys and EyeOn analysed available models applied internationally and met with organisations such as the MBO-Raad, City and Guilds and Deltametaal. Based on this we developed the “Industrial Skills Academy” model. This model is described in section 5.3.

The model was presented to a number of Seta’s, the West Coast College, the Departments of Education, the DTI, and a group of investors that is setting up a Non Profit Company to help accelerate industrial development. As of March 2012 the situation is as follows:

- Private industry, the Saldanha Bay Municipality, and the Provincial Skills Development Forum have agreed to set up the West Coast Community Skills Development Trust;
- DTI is currently setting up a Technical Task team to invest in community skills development;
- We have agreed with SBM on a protocol to charge organisations interested in the results of the database a small fee per record.

5.2 West Coast Community Skills Development Trust

Community trusts in South Africa have not always yielded the intended results of broad-based economic empowerment. Whilst the intention of a trust should be that the payment of profits and dividends to a trust as a main shareholder of an investment project would feed into the development of the impacted community, it often leads to enriching a limited number of individuals. This has created havoc in many, especially small, communities that see sizeable amounts of income distributed among a limited number of people.

The West Coast Community Skills Development Trust is an initiative of a private renewable energy developer. The idea is to have a trust set up that obtains a five percent share in the renewable energy developments in the area. The dividends will be used to co-invest in IDP priorities with the Saldanha Bay Municipality and to expand on the initiatives taken by Ecorys and SBM on skills identification, gap analysis, and development of training programmes.

5.3 DTI and the Industrial Skills Academy

The DTI has invited a range of public and private stakeholders and training providers to become part of the Technical Task Team to invest in the skills development of the West Coast. This process will start by the end of March 2012 and is the result of a series of meetings that started between the Mr L. October, Director General of DTI, and a local community-based training provider in the municipality. With the support of this training provider, Ecorys, and a number of corporates, EyeOn Business Development submitted a document with the proposed “Industrial Skills Academy” model to DTI in December 2011. The Industrial Skills Academy should become responsible for the delivery of a skilled workforce, which is of paramount importance to the further development of existing investors (to enable them to invest more) and to the attraction of new international investors.

The Academy will contain a Skills Development Centre and a Human Resource Centre and as such play a pivotal role in matching the demand and supply side of the labour market.

5.3.1 Skills Development Centre

The Skills Development Centre should ultimately be responsible for training of the local workforce in close cooperation with the investing corporates. As corporates currently complain about the existing skills level in the region the Skills Development Centre could develop its own 'FET-plus' certification and accreditation programme that exceed existing curricula accredited by the SETA's. The Skills Development Centre will cooperate closely with the FETs and SETA's to upgrade curricula applied in existing training organisations and with international organisations to acquire globally recognized certification, among which the Green Skills UK qualifications. Apprenticeship programmes with industry could also be part of the training programmes. It is clear that the baseline skills audit will be an important source of information to identify candidate trainees.

The Skills Development Centre could sign Memoranda of Understanding with the FETs, including the West Coast College in Vredenburg, Denel Personnel Solutions for higher education and training, and other existing accredited training providers in the region.

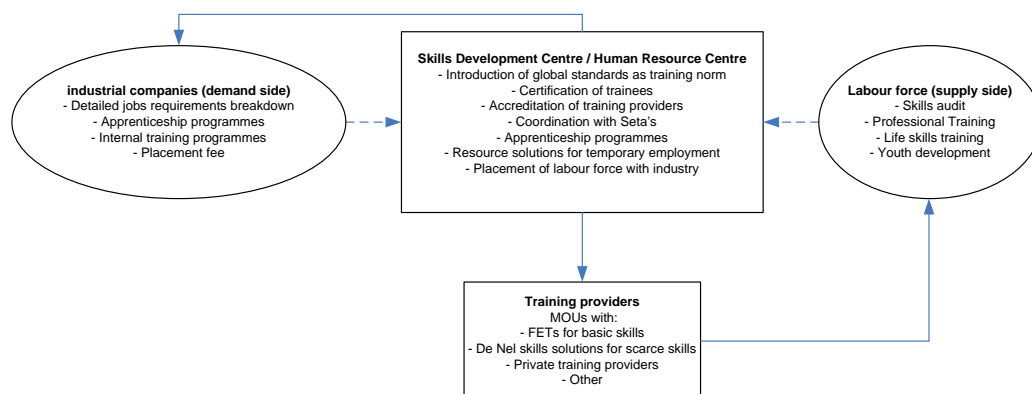
5.3.2 Human Resource Centre

The Skills Development Centre should train for jobs: Trainees that have completed their training can be contracted by industry or by the Human Resource Centre. The Human Resource Centre was modelled to be the interface between the job requirements of the incoming industry and the Skills Development Centre where training on a global level will take place.

The Human Resource Centre model is in line with international models such as the City & Guilds (UK) and quite important the DeltaMetaal (NL) model for training and placement with the private sector as and when required. A placement fee will be charged in case the industry decides to hire staff permanently.

For a concept of the organisational model of the Industrial Skills Academy please see the figure below.

Picture 1: Industrial Skills Academy



Instead of one centralised Industrial Skills Academy, the idea is to establish satellite training centres in the communities of the Saldanha Bay Municipality in order to solve problems around transport and mobility and to make vocational training available throughout the West Coast region. Industrial development is not limited to a small hub behind the port of Saldanha but will influence a wider region around Saldanha.

Distant Learning can be provided for those who wish to follow courses that are not available at the satellite centre and/or for those persons who wish to educate themselves during evening hours. In addition Distant Learning Services will give access to a variety of other on line courses.

Each satellite training centre will be equipped with Distant Learning Services through assistance of Business Connexion, using its own satellite and tailored distant learning programmes. Also the University of Stellenbosch with its Telematics Service Centre offers assistance supported by the DBSA.



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