

Industry Skills

The skills shortage across all South African industries has received widespread media coverage in recent times. The construction industry is often singled out because of government's committed infrastructure spend and other large projects that are in the pipeline.

SA Builder this month reports on an extensive investigation carried out by the Landelahni Recruitment Group. They claim that the skills shortage may hamper South Africa's development. The article refers to the dwindling numbers of artisans and poor graduation rate across the engineering and construction specific disciplines. It also expresses views about the construction SETA and touches on government's joint initiative on priority skills acquisition, better known as JIPSA.

We also carry a CETA press release which welcomes MBSA's "training move", an initiative identified by MBSA's Board as essential for the members of the wider Master Builders movement. Although on track, the establishment of such a training scheme requires funding which may take some time to secure.

So what has happened to our once proud pioneering role in providing the core skills that elevated the building industry to its rightful place as a significant contributor to the country's GDP? A few fundamental matters: firstly, the industry was subjected to the much publicised recession lasting more than two decades, which resulted in skills development and training programmes being dismantled and discontinued (as acknowledged in the Landelahni article); secondly, the establishment of and initial expectations from the sectoral education and training authorities; thirdly the closure and disposal of training structures such as the then BIFSA training colleges, to end and prevent huge and ongoing losses. These are some of the factors which exacerbate the lack of skills in the industry today.

With more opinions on the subject coming to the fore, and with the JIPSA Report yet to emerge, it would appear that the jury is still out on the degree of skills shortages.

The fact is that members of the Master Builders Associations are experiencing shortages in available skilled labour, and it's up to all of us, in whatever way, to contribute to rapidly improving the present situation.

In January 2007, in view of the focus on skills shortages, SA Builder will feature a directory of training courses currently available from private companies in the building industry, including details of the course content, the training institution, costs, duration and accreditation (where applicable) by the relevant training authority.

Vaardighede in die Bedryf

Die tekort aan vaardighede regoor alle Suid-Afrikaanse bedrywe het in die onlangse tyd wye mediadekking ontvang. Die konstruksiebedryf word dikwels uitgesonder as gevolg van die regering se beplande besteding aan infrastruktuur en ander groot toekomstige projekte.

Hierdie maand doen SA Bouer berig oor 'n uitgebreide ondersoek wat deur die Landelahni Recruitment Group uitgevoer is. Hulle voer aan dat die vaardigheidstekort Suid-Afrika se ontwikkeling mag kortwiek. Die artikel verwys na die kwynende aantal vakmanne en die swak graderingsresultate in die ingenieurs- en konstruksiespesifieke dissiplines. Die artikel druk ook menings uit omtrent die konstruksie-Seta, en bespreek JIPSA, die regering se

gesamentlike inisiatief om die aanleer van prioriteitsvaardighede te verseker.

Verder plaas ons 'n persverklaring uitgereik deur die konstruksie-Seta wat MBSA se "opleidingsaksie" verwelkom. Dit is 'n inisiatief wat deur MBSA se Raad geïdentifiseer is as noodsaaklik vir die lede van die breër Meesterbouers-beweging. Hoewel dit op koers is, vereis die vestiging van so 'n opleidingskema befondsing wat 'n tyd mag neem om te bekom.

Wat het dan geword van ons eens trotse rol in die voorsiening van die kernvaardighede wat die boubedryf verhef het tot sy regmatige plek as 'n belangrike bydraer tot die land se BBP? 'n Paar fundamentele aangeleenthede: eerstens is die bedryf onderwerp aan die veelbesproke resessie, wat vir meer as twee dekades geduur het, wat die gevolg gehad het dat vaardighedsontwikkelings- en opleidingsprogramme afgetakel en gestaak is (soos in die Landhelani-artikel

gemeld); tweedens, die daarstelling en aanvanklike verwagtinge ten opsigte van die sektor se onderwys- en opleidingsowerhede; derdens, die sluiting en verkoop van opleidingstrukture soos die destydse BIFSA-opleidingskolleges ten einde groot en voortslepende verliese te beëindig. Dit is sommige van die faktore wat die tekort aan vaardighede in die bedryf vandag vererger.

Terwyl meer menings oor hierdie onderwerp na vore kom, en terwyl die JIPSA-verslag nog hangende is, blyk dit dat daar nie eenstemmigheid bestaan oor die vlak van vaardigheidstekorte nie.

Feit is dat lede van die Meesterbouersverenigings wel tekorte aan beskikbare, geskoolde arbeid ervaar, en dit is ons almal se plig om daartoe by te dra dat die huidige situasie baie vinnig verbeter.

In die lig van die fokus op vaardigheidstekorte sal SA Bouer in Januarie 2007 'n gids van opleidingskursusse wat tans by privaatmaatskappye beskikbaar is, publiseer. Dit sal besonderhede insluit omtrent die kursusinhoud, die opleidingsinstelling, onkoste, tydsduur en akkreditasie deur die betrokke opleidingsowerheid (waar toepaslik).



President of MBSA, Gavin Roberts



We hope that all our readers and advertisers enjoy the break and stay safe on the roads if you are travelling. We wish you a Merry Christmas and Happy New Year, and that 2007 will bring good health, prosperity and happiness.



Skills shortage may hamper SA's development

Fast-track, innovative training programmes will have to be developed by the construction industry if the growth targets for the country are to be met. This is the view of Sandy Burmeister, chief executive officer of the Landelahni Recruitment Group.

The company has conducted an extensive investigation into skills and training in the construction industry and Burmeister warns that the industry is "not currently well-placed to meet the challenges of rapid infrastructural and building development".

Currently South Africa has only 1 440 formal apprenticeships across all industry compared with 33 000 apprenticeships in 1975 at the height of the construction boom.

Burmeister concedes that while the construction industry was in a recession for most of the eighties and nineties a consequence of this was simply that skills development and training programmes were dismantled or discontinued.

"Engineers and artisans are in short supply in South Africa. Furthermore there is a global shortage of skills and we are seeing greater 'portability' of labour," said Burmeister. "We know of projects in Africa and other parts of the world where the contractor provides all skills as part of the contract. For instance, in Dubai, Murray & Roberts seconded skilled staff to the project for the duration of the contract and this is typical of what is happening in other parts of the world."

Referring to skills development among school-leavers Burmeister warned that while thousands of students enrol for courses related to construction, the drop-out rate at a tertiary level is alarmingly high.

"Between 1998 and 2004, 50 570 people enrolled at South African universities for engineering courses and yet only 8 900 graduated, according to Engineering Council of SA (ECSA) statistics. That's a graduation rate of 17,5% across all engineering disciplines.

"The graduation rate for engineers is even lower at technikons. Between 1998 and 2004 there were 139 820 enrolments and 14 250 graduates – a graduation rate of 10% across all disciplines. Construction-specific disciplines display the same trends," she warns.

The release of the Construction Industry Research Report comes at a time when the Construction Education and Training Authority (CETA) has been found to be technically insolvent by the auditor-general, Shauket Fakie.

Fakie said CETA had negative reserves at the end of March this year.

As a result of his inability to verify critical important data relating to CETA's expenditure on promoting learnerships, Fakie issued an audit opinion disclaiming the financial statements.

Responding to Fakie's comments, CETA chairman, Narius Moloto, said: "CETA has taken careful note of the comments made in the auditor-general's report. However, matters have improved in the six months since the preparation of our 2005-06 financial statements. These statements largely reflect a situation that existed during the tenure of the previous management of CETA.

"A subsequent reorganisation of both management and operating systems over the past nine months or more has put CETA onto solid ground. We remain committed to our core task of facilitating the development of skills in the construction sector. We are determined to pursue our efforts to meet all of our skills development responsibilities," Moloto said.

While CETA is responsible for training in South Africa's construction industry there has been a consistent decline in the level of skills over the past five years and this seems set to continue unless urgent action is taken to address skills development.

This is not the only difficulty facing construction companies who, according to Burmeister, are also falling short in terms of employment equity requirements. Citing

Department of Labour reports, Burmeister emphasised that just 15% of top management in the construction industry is black compared with 27% across all other industries.

"Not surprisingly just 4% of top management in construction is female compared with 17% in other sectors," Burmeister said.

Burmeister says that the shortage of skills and the poor employment equity performance of companies in the construction sector must be viewed against a backdrop of the government's Accelerated and Shared Growth Initiative for South Africa (ASGI-SA). Under this initiative the government is committed to spending R372 billion on infrastructure in the next three years.

"This means that while there is no shortage of capital for infrastructural developments, the shortage of skills could have an extremely negative impact on this spending programme," she warned.

She points out that the Joint Initiative for Priority Skills Acquisition (Jipsa) with its focus on recruiting priority artisan and technical skills and simultaneously re-employing retired specialist and mentors is a "huge step in the right direction".

According to Burmeister the private sector needs to join the government in developing effective training and skills



Sandy Burmeister, CEO of Landelahni Recruitment Group

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development initiatives in order to meet the construction and engineering challenges that lie ahead.

“Encouragingly there has been an increase in Engineering Council registrations of new candidates, particularly blacks, indicating that companies are registering a diversity of employees. The 2004 intake is balanced, with 907 blacks and 940 whites registering across all disciplines.”

However, by far the greatest numbers of registered engineers in all disciplines are in the professional category. This trend is even more in evidence in the construction sector. “This means,” says Burmeister, “that the industry consists predominantly of professionals who are aging out of the system. Add to this the fact that the average age of artisans is 53, and we get a measure of the magnitude of the skills challenge.

“Importing skills at a significant cost is a short-term solution, and needs to be balanced by more effective use of local project and contract labour. We need to accept that more and more skilled professionals will be working on projects around the globe, and to encourage this as a way of accelerating skills development.

“A solid graduate programme that goes beyond merely providing bursaries to black candidates is also required. Graduate development programmes need to focus on ensuring we achieve a higher number of graduates. Business can then play a more significant role to provide the necessary support, guidance, career planning, mentoring and coaching.”

Once they have graduated and are employed, a fast-track programme for black candidates with management potential is needed so they can achieve executive status within the company, particularly on the operational side.

“Beyond that,” says Burmeister, “external recruitment strategies need to be developed to address both the skills shortage and to ensure that senior positions are occupied by black people. Often potential candidates exist at executive and management level in other industries, with transferable skills.

“It is important to remember that, particularly at senior level, construction is not just about engineers. It is about introducing fresh leadership and management talent into the industry. That’s one way of giving the sector a capability boost in the short term, so as to help the country achieve its immediate infrastructure development goals.”

In a separate development, CETA announced that it has signed two co-operation agreements with private companies. The first agreement is with Corobrik and will see the

establishment of special bricklaying, paving and plastering schools in KwaZulu-Natal, Gauteng and the Western Cape. These schools are scheduled to open in January next year.

In a second agreement, a school specialising in plumbing skills training will open at the NCISA Training Academy in Soweto and will begin training students next February. Plumbing skills training will be provided by Plumb Train.

The agreements bring reality to a CETA strategy to broaden the scope of its skills development incentives by establishing a network of professionally staffed training “campuses” – called Construction Centres of Excellence (CCOEs) – to make it easier for people wanting to enter the construction industry to receive formal skills instruction.

“It has always been our hope that we could do this with the support and cooperation of private business,” says CETA chief executive officer, Teboho Thejane.

Moloto says CCOEs are aimed at ensuring “universal access” to education, training and skills development for individuals who are either unemployed new entrants or employed workers. And he adds: “We want to get around the situation where training is available only through employers. We want to open the doors to a wider selection of unemployed people.”

Corobrik and Plumb Train are to engage in detailed discussions with CETA management about funding the projects. “Both training schemes will focus on the scarce and critical skills gap, with particular reference to the World Cup 2010, Gautrain – and indeed, beyond,” Thejane adds. Both the Corobrik and Plumb Train “schools” will train entrants up to formal NQF (National Qualifications Framework) standards so they can enter the industry as fully qualified tradesmen and women.

CETA has also welcomed moves by Master Builders South Africa (MBSA) to set up its own training systems and provide effective skills training within the building industry. The chief executive of MBSA, Pierre Fourie, said the training scheme would run alongside existing training programmes financed by CETA but will be funded from a payroll tax levied on construction businesses.

“Skills development is not the sole preserve of CETA. We welcome the MBSA initiative,” said Thejane. “Anything that can speed the process of closing the yawning skills gap in the construction industry is to be welcomed.”

Already private sector companies have embarked on their own training initiatives in an effort to stimulate skills and this trend is likely to continue as the shortage of qualified and experienced artisans intensifies. ■