

Artisan training is short of R9bn

By Justin Brown

Johannesburg - Business and the government might need to make up a funding gap of as much as R9 billion to plug a national artisan shortage, Sandra Burmeister, the chief executive of recruitment group Landelahni, said yesterday.

Speaking at the release of a survey into the skills shortage in the mining industry, she said the government's joint initiative on priority skills acquisition estimated that the country needed 50 000 more artisans.

She said: "South Africa is experiencing a severe shortage of well-qualified, competent and experienced artisans."

The mining industry trained almost 1 800 artisans last year.

Mining companies such as Impala Platinum and Exxaro Resources, as well as parastatals Eskom and Transnet, which are embarking on multibillion-rand expansions, are all crying out for artisan skills.

Eskom is expanding its training college in Midrand to boost the output of artisans to support its R343 billion expansion programme. The electricity supplier has 5 368 engineers and artisans in training.

Burmeister said that at an average pass rate of 42 percent, about 120 000 candidate artisans would need to be trained to achieve a total of 50 000 qualified artisans. It cost R120 000 to train an artisan over three years, excluding the artisan's wages, so the training of 120 000 artisans would cost R14.4 billion.

The 1 percent skills levy on employee costs raised R6 billion a year, of which as little as 30 percent, or R1.8 billion, could be available for artisan training. Over a three-year period, R5.4 billion would be available for artisan training, leaving a funding gap of R9 billion.

Burmeister said that internationally, top companies spent 4 percent to 5 percent of their salaries and wages on training.

However, local companies tended to just pay the skills levy and did not invest in separate initiatives.

Sam Morotoba, the department of labour's deputy director-general for skills development, would not comment immediately on Burmeister's statements.

Burmeister said that as a result of the skills shortages occurring in the middle of a mining boom, local remuneration packages for technically skilled mining staff such as geologists, artisans, mining engineers, metallurgists as well as mining executives, had tripled and quadrupled over the past two years, especially in the platinum, coal and uranium sectors.

Burmeister said there was particular demand for chief executives who could grow businesses rather than merely maintain them.

Engineering skills were also in short supply and were an area in which the mining industry had to compete with infrastructure projects and the manufacturing and other sectors. The number of registered engineers stood at 14 234, down 1 100 from 10 years ago.

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