The integration of the new education legislation into the South African clothing industry

By
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Submitted in partial fulfillment of the academic requirements for the degree of Master of Education in the Department of Education University of Natal Durban.

31 October 2000
Durban
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The integration of the new education legislation into the South African clothing industry
CHAPTER 1

AIM OF THIS DISSERTATION

In 1994, the new democratically elected government of national unity identified education as a high priority for change. The relationship between equity, democracy and education was and still is topical when referring to education and redress.

The issues under discussion in this dissertation are pertinent to the South African education and skills situation within the clothing industry. As the legislation relating to education and training within industry is very new, there is very little research into its real impact.

A case study will be done on a small group of clothing companies within the Western Province, to determine exactly how much the Clothing manufacturers know about what is required of them and the extent to which they have fulfilled the requirements.

It is the aim of this study to determine the following:

1. What the legislative situation relating to skills development and education is and what it means for the South African clothing industry,

2. How the clothing industry has gone about implementing what is required by the legislation,
   a. The development of the Sector Education Training Authority for the clothing industry, and its state of preparedness for the future,
   b. The standards generation process, as the standards will determine the expected level of expertise within the clothing industry.
   c. Whether or not the manufacturers have submitted a Workplace Skills Plan or fulfilled any of the other criteria necessary to claim money back from the grant scheme in this year, 2000.

3. To determine through a qualitative case study:
   a. Whether or not the legislation is understood and its purpose realised,
   b. Whether or not the legislation is in use,
   c. Whether or not industry intends to use it, and
   d. Whether or not it is believed that it will work.

The attitude of the manufacturers in Cape Town will be assessed during a case study in order to determine exactly what is happening with the legislation in the Industry and of course what is thought of the new education and training system.

By doing such a study it should make it easier for Clothing manufacturers to determine where they ‘are’ in relation to where they would like to be with
education, it is questionable as to whether or not any administration can bear such an intensity of change. Some of the legislation passed, the South African Qualifications Authority (SAQA), the Skills Development Act, the Skills Levy Act all of these making up the National Qualifications Framework (NQF), all high-light the tension between redistribution and competing economically in the 'global market place'.

Equality of opportunity to education, when referring to a democratic state is assumed to be in place. In South Africa the Constitution outlines the following:

"S29 (1) Everyone has the right –
(a) To a basic education, including Adult Basic Education; and
(b) To further education, which the state, through reasonable measures must make progressively available and accessible".
(The Constitution of the Republic of South Africa 1996)

South Africa is currently ranked 46th in the world on the productivity scale. A low productivity rate in combination with the old Apartheid regime has caused an incredibly high unemployment rate in the country. In 1997 the Minister of Labour Mr. Tito Mboweni MP, made a speech concerning job creation and fighting poverty – he outlined a framework for employment. The job summit scheduled for later that year was spoken about considering the need for an arena in which all stakeholders (labour, business and the state are challenged to contribute in various ways) could meet and find common ground, which would improve the South African situation. It was mentioned that an Employment Strategy Framework (ESF) should be implemented in order to;

"... boost employment growth in the short to medium term and to do this in a manner that will strengthen the likelihood of success in achieving the longer term goals."
(Mboweni, T.T Creating Jobs, Fighting Poverty An Employment strategy Framework P3)

South Africa has legislated that companies spend 0.5% (for 2000, 1% in 2001, as legislated by the Skills Development Levy Act) of their total wage bill, that money will be made available to the company through a 'framework' in order to train and upskill its workforce. This can be compared with 5% which is spent by the rest of South Africa's trading partners. The Japanese spend 10% (NIB preliminary report 1994). The difference in the amount spent on developing and training their people is huge, showing that South Africa still has some way to go.

"The upgrading of skills and knowledge is essential for economic growth. Failure to do so spells disaster ..."
(Adult learning May / June '94 vol 5 no 5 Skills and Knowledge - The key to economic growth)

The Skills Development Levy as discussed above, advocates the amount of money which has to be spent on training and education. It is interesting to see how much is actually spent currently by companies on training:

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1Productivity, S.A. July / August 1998 pp8

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professional life. This is dependant upon the development of fundamental skills of all employees as a result of training. Educators have a significant role in providing a life long view of what outcomes are achievable and realistic by defining the skills and underpinning knowledge required for successful performance. Skills such as:

- Interpersonal and communication skills,
- Development of the ability to answer questions and solve problems,
- Message taking and complaint handling,
- The ability to perform one’s function more effectively,
- Promoting the setting of short and long-term goals.

It is essential in the global economy for individuals to be able to learn and contribute to their own future development as the nature of knowledge is changing and becoming increasingly dynamic. What is valuable today may not have any value within the next five years. The issue of life-long learning is under debate internationally, a good reference for more information is as follows:

Eds Alheit Peter & Eva Kammer 1998 Lifelong Learning and its impact on Social and Regional Development Bremen Donat Verlag
the root, what the views of business are, in order to assess the success or impending failure of such a system of education.

As Linda Parkin (1994) points out;

"Outcomes based education is controversial because it is different from what people are used to."

Globalisation in the South African clothing industry is apparent through the advancement in the use of technology and advanced systems, which are designed to improve productivity and efficiency. Systems such as General Sewing Data (GSD), a British computerised system which is considered to be the 'world standard' for setting Work Study times, has been installed by many large Clothing Manufacturers to aid in productivity. The use of Computer Aided Design (CAD) in garment design, is becoming more and more popular. Over and above these systems are the issues of job flexibility in the marketplace, team working, modular working and international investment into the industry.

This humanist approach assumes that there will be;

"highly skilled and well paid jobs available for workers for at least some of their working lives."


Education, however, can only work to improve productivity if there are employment opportunities for more productive workers. This is one of the major issues raised which throws doubt on the success of the implementation of this system in South Africa, where there is such a high degree of unemployment.

In this study on the clothing industry I intend to determine whether this human capitalist ideal is in fact believed by South African Clothing Manufacturers. It will be interesting to learn the extent to which the manufacturers understand the legislation and their role in educating their fellow South Africans, as well as their reasons for 'upskilling', 'training' and 'educating'.

Mr. Roger Thomas, the Managing Director of Methods Workshop, a company of Management Consultants and Providers to the clothing industry both locally as well as internationally, and who have developed a range of computer programs designed to improve productivity and manage efficiency, strongly believes that training is essential to development. It is his company’s intention to be instrumental in assisting South Africa to compete globally and sees it as the only solution to an industry, which is internationally a labour intensive one.

Methods Workshop recently were appointed by the World Bank to further develop and improve the training materials and techniques which the company offers to the clothing industry. They were also involved with developments for the Department of Trade and Industry (DTI). The availability of funds from these and other bodies assists greatly and focuses attention on the need to improve and educate our workforce in order that they can competitively enter the Global Marketplace.

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There are a number of highly skilled and experienced operators in the marketplace who are very willing to work under any circumstances, without skills training.

People are losing their jobs as a result of companies shutting down.

It is cheaper to import garments from the East than it is to make them in South Africa.

Another point raising concern is the obvious problem of the funding of educational development, which when considering the high rate of unemployment in South Africa, and the obvious costs involved in implementing such an ambitious system of learning, seemingly make the target of equity in education difficult to achieve.

In his speech on Creating Jobs, Fighting Poverty An Employment strategy Framework P6, Mr Mboweni the minister of labour, points out quite clearly that the public sector will carry the burden for ABET funding:

"3.3.1.2 transforming the training board system into SETA's and supporting a substantial increase in private sector spending on training."

The Minister of Education Prof Kader Asmal points out the promotion of employer spending:

"... all employers, including employers in national, provincial and local government, must be encouraged to run or support ABET programs for their employees."

(Call to Action: Mobilising Citizens to Build A South African Education And Training System for the 21st Century P6)

Prof Kader Asmal, states also that ABET programs should be supported as much as possible by the government, however;

"Unfortunately, budgetary pressure has resulted in several provincial education programs cutting back or closing ABET programs when they should be expanding. This trend ought to be reversed, but it is improbable that the government will find sufficient additional funds in the near future to eliminate illiteracy through formal ABET programs run by provincial education departments."

(Call to Action: Mobilising Citizens to Build A South African Education And Training System for the 21st Century P6)

The increasing dependence of ABET on industry for funding poses yet another problem, the departments of Labour (training) and Education (education) are dependant upon co-operation rather than integration in order to provide a suitable cohesive unit dealing with education and training. In other countries such as Britain, these departments have been combined successfully.

In order to contextualise the South African condition it is essential to consider the legislation, which has given life to the new education and training structure.
With the rise of the South African Qualifications Authority Act 1995 (SAQA), which lays out a new approach to training and education within South Africa, provision for the restructuring of education and training in South Africa was made, as well as providing for the recognition of prior learning (RPL).

In the past there has been no legislation regarding the training and education of the South African work force, it is therefore the aim of this act to ensure equity and freedom in education. SAQA provides also for redress of past discrimination by recognising skills as developed through experience rather than only through formal educational institutions.

The SAQA Act is mainly responsible for the development and implementation of the NQF. SAQA is responsible for the setting of standards, which includes the registration of bodies that are responsible for the setting of standards, and also for the assurance of quality, which would include the accreditation of bodies and the monitoring and auditing of standards.

SAQA was developed in order to:
- Oversee the development of the NQF,
- Oversee the implementation of the NQF,
- To advise the Minister of Education,
- To consult with affected parties.

SAQA is associated with a number of bodies called Standards Generating Bodies (SGB's) the development of the Clothing Qualifications Framework as developed by the Clothing SGB will be discussed in greater detail.

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The General Education Band of the NQF is inclusive of schooling up until the 9th year of learning i.e.; Std 7 or grade 9, also included in this level are different phases:

- Foundational Phase which is all of that learning that occurs prior to and including Std 1 (grade 3),
- Intermediate Phase is equivalent to Std 3,
- Senior Phase is equivalent Std 7.

Adult Basic Education and Training (ABET) would also fall into this category, ensuring that even adults are able to go on to the further education and training Band at the time that they are able to complete the foundational knowledge as laid out by the Adult Basic Education (ABE) standards.

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QUALITY ASSURANCE IN TRAINING AND EDUCATION

SAQA provides for the establishment of accredited Education and Training Quality Assurers (ETQA's), these bodies are responsible for monitoring and auditing achievements in terms of the standards and qualifications.

"Quality does not simply refer to teaching and learning but is also linked to capacity, the appropriateness of the curriculum, the commitment of both the teacher and the learner, and the way that standards are set and assessed. This means that there is a need to infuse the system with a will and capacity to make continuous improvements to programs at all levels."

(Fanie Pretorius 1999 pg4)

As pointed out by Fanie Pretorius above, it is essential to ensure that the quality of the training provided within industry remains at the level determined by the SGB, and where possible is improved.

The South African Qualifications Authority lays out the ETQA's functions as follows:

- The accreditation of providers,
- The promotion of quality amongst providers,
- Monitoring of providers,
- Evaluation of assessment and facilitation by providers,
- The registration of assessors for specific NQF standards,
- Certification of learners,
- Recommendation of new standards, modifications to existing standards,
- And any other function assigned to this body by SAQA.

In order to find out what is happening with regards to Quality in the clothing industry the Clothing Textiles and Footwear SETA was contacted and an interview was held telephonically with Mr. Hoosen Rasool who was recently appointed as the Quality Assurance Manager of the ETQA.

The functions of the ETQA as outlined above, were used as the basis for the conversation. Mr. Hoosen Rasool pointed out that his position within the ETQA has recently been filled and that the SETA has applied for accreditation from SAQA, it is expected that accreditation will happen in November 2000.

Mr. Rasool has said that there will be no accreditation of providers until such time as the SETA is accredited. As far as the promotion of quality amongst providers is concerned there is, in place within the SETA a "Quality Promotion Strategy". Unfortunately as this is still a draft document it is not yet available for public perusal. The document outlines the way in which the ETQA is going to promote quality within the industry.

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SKILLS DEVELOPMENT ACT, (1998):

The Skills Development Act 1998 (SDA) had major impact upon industry, all employees and the nation as a whole. As a result of the Act all companies have to align their policies to the requirements as laid out by the SDA. The purpose of the Skills Development Act is as follows;

- Improve the quality of life of the workers,
- Increase productivity in the workplace,

To Increase:
- The level of investment in education and training,
- Return to investment in education and training,

To encourage:
- Employees to use the workplace as an active learning environment,
- Workers to participate in learning activities,
- Self-employment,
- National and sectoral skills development,

In order to achieve the above-mentioned outcomes SETA's have been established. The Clothing, Textile and Footwear SETA which is number 04, is the SETA to which this study relates. The South African Government has appointed the South African Revenue Service to collect money from all of the relevant companies and distribute it to the SETA's, who are then responsible for ensuring that those companies that have spent money correctly are given compensation.

The money received by the SETA in the first year (2000) will be spent in order to:

"2. (1) (a) to develop the skills of the South African workforce . . . ."

The SDA is very idealistic. The purposes of the Act are very far-reaching and optimistic, and are geared very much towards upliftment and social economic development.

The purpose of the SDA is as follows;

"2(1) a develop the skills of the South African workforce
   (i) to improve the quality of life of workers, their prospects of work and labour mobility;
   (ii) to improve productivity in the workplace and the competitiveness of employers;
   (iii) to promote self employment . . . ."

From what is stated in the Act, it is clear that the intention to train and improve skills is aimed directly at the development of the economy. Here we can plainly see the tension, which has been referred to often between redistribution and the economy.
SKILLS DEVELOPMENT LEVY ACT, (1999):

The Skills Development Levy Act makes provision for funds to be made available specifically for training and education of people within industry.

A levy is to be imposed on all employers who have a total wage bill of over R250 000 per year, and who are registered with the Receiver of Revenue. The money is to be paid to the South African Revenue Service (SARS), who will disburse it in accordance with the Act.

In order to claim back from the SETA in 2000 the following aspects have to be fulfilled;

In order to get money back for training which is implemented after April 2001, there needs to be;

1) A skills development facilitator,
2) A plan of action, a workplace skills plan (WSP).
   a. This plan has to be determined by the company in line with the National Skills Plan (NSP), which is to be determined by SAQA in October 2000.
   b. The company will have to report on progress of the plan and outline all reasons for the implementation as per the laid out plan, or give reasons for the lack of progress.
3) Training has to be implemented in line with the plan laid out.
   a. After training is implemented the costs incurred can be claimed back from the SETA. All training costs will be allowed except for those that were a part of separate bargaining agreements. An important provision is that payment will only be made if the provider of the training is registered with the NQF and SAQA.
GRANT “C”

This involves the implementation of a Workplace Skills Plan

- An employer who is approved for GRANT “A” and GRANT “B” can claim a further grant of 20% of the total levy payment for the implementation of the Workplace Skills Plan.
- An acceptable report accompanied by appropriate training records must be submitted to the SETA by the required date.

GRANT “D”

There is a final Grant for Skill Shortages

- A 5% grant will be made available for specific skill shortages in its sector and to implement recommendations from the NSA.
- The SETA will recommend a list of skills shortages that merit grants under GRANT “D”.
- The grant will be paid based on the outcome achieved

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2. The dangers of the competency based models,

"Competency-based training is concerned with the attainment and demonstration of specified skills, knowledge and attitudes to minimum industry specified standards rather than with the individual’s achievement relative to that of others in a group" (NTB / HSRC, 1985)

3. The problem of misreading capital’s motives. The employers past track record towards education and training has been one of neglect, this is identifiable through:

a. A poor style of managerial leadership,
b. A lacking of the long term profits to a business,
c. There is no tradition of co-operation between the employers and the state,
d. Employees have traditionally been poached and not trained internally,
e. Authoritarian forms of work organisation.

4. The risk of entrenching existing inequalities. In South Africa Fordism (mass production) cannot be said to be on the decline, the clothing industry traditionally utilises these methods of production. The industry is slowly moving towards computer-integrated manufacturing, where through the use of technology improvements in productivity and efficiency become more easily achievable (Post Fordism).

“Clearly, what is now urgently required are differentiated economic policies which aim to simultaneously develop the rural economy, provide opportunities for the urban unemployed, and ensure that South Africa is indeed competitive in global markets.”

Although the importance of technological advancements is vitally important to the further development of new forms of work organisation (geared towards export) Kraak points out that an overemphasis on post-fordist methods will not assist in the process of reducing sectoral inequalities in the South African economy.

5. Lack of Comprehensive planning.

It is suggested that wide-ranging policy developments occur where policies are synchronised and developed in line with other key sectors, thereby ensuring real implementation of such policies.
interference from the state is a major worldwide problem and acts as a barrier for those that are disadvantaged - although the policies are in place what they ‘preach’ does not happen in practice. The people who are at the bottom of the labour market are thereby made more powerless and insecure against exploitative employers.

However critics of the above argue that in fact education does not improve productivity, but it provides employers with a ‘screening / filtering’ facility which enables them to identify individuals with superior abilities or desirable characteristics. The case Study will help to identify whether this is in fact the case within the clothing industry.

Policies in the United States - Alabama - Mercedes were given tax concessions for a period of 25 years and initial set up costs for their new factory - as it enabled job creation and education of the people within the area - enables mass production as described by “Fordism”.

Human capital investment should also allow for upward and downward movement within the job market according to the stage of career and age of the worker, this however again assumes that jobs are available to the workers.

In South Africa the RDP paper sets out a number of policies for education and training which promotes;

- equal opportunities,
- education of individuals and communities,
- promotion of democracy,
- that the government has the responsibility to ensure that this process actually happens,
- that the education of women to eliminate the inequality of the past (by community projects)

According to the above it is evident that education would then have to be re-organised at a national, sectoral and provincial levels. The NQF serves as the framework around which all of these aspects are developed in order to educate and train the people in South Africa.

ABET has been promoted in the RDP paper, to allow previously disadvantaged people to provide a means to learn or educate themselves (in other words reconstruct the society). By promoting self development in a community will promote a ‘culture of learning’ in South Africa. A partnership has to be embarked upon between employers, labour and provincial government. Lifelong learning is promoted.

The unemployed should be taught skills which would enable them to get employment from what they have learned. In order to do this the National Skills Fund (NSF), as portrayed briefly in Figure 5 above has been developed in order to train those people that for numerous reasons are unemployed or unemployable.

There is a major problem, in that many of the educators / trainers are not trained sufficiently to deal with the changes which are required by the legislation, and

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“underclass” as displayed is unique to the South African society, in the past these people have not been given the opportunity to enter into the meritocratic hierarchy - this poses as a problem - the result of which has been ‘affirmative action’.

In theory there is nothing to prevent the people in the underclass from getting into the occupational category. One of the functions of meritocracy is that people are motivated to move up the ‘ladder’.

In a truly meritocratic society people should have equal access to schools, teachers, books and other learning necessities - unfortunately within the South African context this is a major fall down as this is not provided, resultantly the education received by students at the same level differs considerably, and results in stratification.

Hayeck, however argues that inequality is an unavoidable outcome of a market economy, as a result he is clearly opposed to justifying social inequality.

A system cannot claim to be meritocratic if people feel as though they are being treated unfairly. Goldthorpe, suggests that individuals are increasingly allocated to positions according to what they have shown that they can do, rather than according to their social origin. (Problems of ‘meritocracy’ J H Goldthorpe pp 663)

Social classes are widely differentiated in their standard and style of living but for so long as selection remains meritocratic, the elite can claim that their privileges are just reward for their achievement.

This can be viewed as an elitist outlook - it has been suggested that the middle to upper classes are at an advantage as they already move in the accepted circles as a result it is an advantage to “know the right people”, this would make this society unfair. It is incredibly difficult to measure “merit” - it is inevitable that subjectivity enters into the picture, and it is situationally specific.

There is an increased emphasis on formal qualifications. Education is then the mediator of the transmission of status between the generations, priority is given to achievement over acknowledgment, this is however under question today as a result of Affirmative Action and the Equity Act.

The issues surrounding global competitiveness and economic advancement or wealth creation within South Africa are pertinent to the developments of this education and skills development legislation. As recorded above, Professor Kader Asmal states in his speech that in order to become a globally competitive Nation South Africa has to invest in the education of its people, thereby enabling economic growth

With the rise of the global economy has come international foreign competition and the development of Multi National Corporations, as well as e-commerce which has taken off very quickly and generates trillions of US dollars annually.
CHAPTER 4

THE CLOTHING TEXTILES AND FOOTWEAR SETA

In order to determine how SETA 04, is doing with regards to enabling the implementation of skills development within the clothing industry, Mr. Dave Bowen, the CEO of the SETA was interviewed telephonically or personally on a number of occasions.

Mr. Bowen’s views are from the administrative side, it is his job to ensure that as many companies within his sector in industry are aware of the skills legislation and how it affects them, as well as enabling and guiding the companies on how to go about structuring and implementing quality education and skills within their businesses.

During the discussion with Mr. Bowen a number of points of concern were raised with regards to the progress of the SETA, as a result of poor information gathered from the South African Revenue Service (SARS).

- It appears that only 54% of the companies within the country have registered to pay towards the levy,
- The information regarding the details of the companies belonging to which SETA is not readily available to the SETA’s from SAQA,
- Within SETA 04 (Clothing SETA) there are 3 chambers, Clothing, Textiles and Footwear. Mr. Bowen is unable to determine from the SARS the percentage of companies that are contributing to each chamber, as a result the levy money cannot be evenly distributed and a proper business plan cannot be determined.

It is legislated that the SARS collect the levy money from the companies on a monthly basis, they are paid 2% of the takings in order to do this. It is approximated that the SARS has made close to R 70,000,000 as a direct result of the levy deductions. Within the first 3 months of levy deduction from companies, R303,000,000 was collected and distributed to the relevant SETA’s.

From the above points of concern raised by Mr. Bowen, it is apparent that collection of money is an area that the companies who contribute to the levy should watch, it appears all too easy for the gravy train to start ‘huffing and puffing’ as a result of levy money which is collected. It is apparent that there is a lot of room for money to go missing, alternatively for it to go to the incorrect SETA as a result of administrative problems. Currently the Clothing SETA is trying to get the process of checks and balances in place to ensure proper and easy communication between the SARS and the relevant SETA’s.

Another problem facing SETA 04 is that as a result of the clothing industry being such a volatile business as far as ‘staying in business’ is concerned, there are no exact numbers of Clothing Manufacturing Companies available. It is estimated that there are 2500 Clothing Manufacturing plants that should belong to the SETA.
CHAPTER 5

DEVELOPMENT OF STANDARDS FOR THE CLOTHING INDUSTRY

The standard generation process began before the Clothing Textile and Footwear SETA was officially established.

The first Clothing Qualifications Framework workshop was held in Cape Town on the 22 and 23 April 1999, which is before the SETA was established. The Clothing Industry Training Board (CITB) started and led this process, using the funds of the industry training board members, and saw the initial standards development process to completion recently. This date saw the start of a stakeholder process, (members representing business, labour and Government) which has led the clothing industry into the beginnings of a new era of skills development training and education. Cape Town is the province that has the largest representation of clothing manufacturers in South Africa. There were around 200 people present from the representative groups outlined above.

A Training and Education Consultant from a company called DevTrain, was introduced, as the facilitator for the process that was going to enable the clothing industry to move into the new ‘era’ of education within industry Mr. Jeff Gilmour.

At this first meeting the participants were informed, by Mr. Gilmour, of all of the developments within training and education in industry and the subsequent consequences for the industry in the future. The workshop served as a brainstorming session whereby the areas of learning of great importance to the industry were identified and dates were drawn up in order to continue with the process of standard generation, within these specified areas.

It was decided that six subjects, which had been identified at the meeting by all present, would be explored and standards would be determined at levels 2, 4 and 5 of the National Qualifications Framework. Have a look at Figure 6 below, which shows the outcomes obtained from the standards generation process.

1. Quality,
2. Safety and Housekeeping,
3. Design,
4. Work study, Planning and Production,
5. Materials,

It was decided that area 2, Safety and Housekeeping would only be developed to level four, as it is not possible within the clothing industry to take this to level five.

As a result of these areas / subject being outlined it was decided that a number of workshop sessions were to be held in the major provinces and the development of standards would therefore benefit with input from each province.
<table>
<thead>
<tr>
<th>NQF Level 5</th>
<th>NQF Level 4</th>
<th>NQF Level 2</th>
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<tr>
<td><strong>Fundamental</strong></td>
<td><strong>Core</strong></td>
<td><strong>Elective</strong></td>
</tr>
<tr>
<td>Communication Skills &amp; Language</td>
<td>Research, analyse &amp; monitor design processes to meet market demands</td>
<td><strong>Core</strong></td>
</tr>
<tr>
<td>Physical, mathematical, computer &amp; life sciences</td>
<td>Research, analyse, source, develop &amp; improve on materials &amp; handling systems used in Clothing</td>
<td><strong>Elective</strong></td>
</tr>
<tr>
<td></td>
<td>Strategic, research, develop &amp; review production systems in Clothing</td>
<td><strong>Core</strong></td>
</tr>
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<td></td>
<td>Develop &amp; improve on a quality system in the Clothing Industry</td>
<td><strong>Elective</strong></td>
</tr>
<tr>
<td></td>
<td>Develop &amp; manage maintenance policies in a clothing environment</td>
<td><strong>Core</strong></td>
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Figure 6: Outline of Clothing Qualifications Framework

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stakeholders that they standards should be changed only if necessary in the future after trying them for a while.

The final workshop on the 8th and 9th Feb 2000, again held in Cape Town, saw the end of the initial development phase of the Standards Generating Body. A process lasting nearly a year culminated in standards, designed by a number of stakeholders, which are specific to the clothing industry.

The final draft standards, the outlines of which are shown above are soon to be gazetted for public comment.
It was decided to conduct a qualitative study to answer some of the questions which arose out of the research into this topic. In the words of Patton (1990); "the sample is information rich" answered by this person

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The manufacturers feel about the legislation and its intentions within industry with the skills development legislation as well as concerning what is happening. This qualitative approach will be used in order to determine what is happening

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<th>Company</th>
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<tbody>
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<td></td>
<td>Large</td>
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<tr>
<td></td>
<td>Under 150 operators</td>
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<tr>
<td></td>
<td>Under 50 operators</td>
</tr>
<tr>
<td>Small</td>
<td></td>
</tr>
</tbody>
</table>
By the first week in October the outline for the questions was finalised and the interviewing process began. Most of the manufacturers were incredibly busy, one had to be called on arrangement, at home before work, another call was at a specific time in the afternoon when the person would be waiting for the call and not on the factory floor. The interviews had to be done in such a way that it was most convenient for the respondents, in order to ensure that the information was as accurate as possible.
make a difference to their business as far as development of the workers is concerned.

Also to be determined is whether the companies plan on claiming against the grants this year. This will enable the research to establish how serious people are about using the levy to their advantage, and the grants they intended claiming for.

The people within the organisation who are targeted for training in the future, as well as those targeted for training currently, were asked in order to establish whether or not the manufacturers intend to take a 'top down' approach to the development of their people or a 'bottom up' approach. This could have future implications for the success or failure of training within the organisations.

In order to determine whether or not the legislation could realistically lead to immediate job creation it was important to determine whether training would take place in-house, whereby a trainer would have to be appointed internally and training materials would need to be developed in line with the legislation, or if the companies intended to use external providers. If external providers were to be used then the providers would have to increase their capacity to deal with the added demand for high quality training to the industry in areas identified.

Respondents Views:

The views of the person being interviewed were asked in order to determine the attitude of the people to the new skills legislation, and in order to determine whether or not there is faith in the legislation.

It is important to determine whether the respondent believes that training and development of the people within the company can lead to greater productivity, as over and above the financial incentive an increase in productivity or units per head could promote training within the business in the future.

The issue of job creation, which is one of the major reasons behind the development of this legislation, as pointed out by the Minister of Education and the Minister of Labour. In a shrinking marketplace it will be interesting to find out whether in fact training and developing people can lead to job opportunities for workers.

The reasons behind why the manufacturers believe that the levy system can be of benefit to the business, if this is in fact believed, will enable the level of commitment to the new education legislation and its usefulness in a realistic setting such as the clothing industry to be established.

Finally it was important to establish the response to the new legislation from the people on the factory floor, those people that have been targeted for training. Another question which posed itself when speaking to people within the clothing industry was with relation to the people on the shop floor, is it their wish to be skilled and developed further.

The integration of the new education legislation into the South African clothing industry
ILLUMINATION OF BROADER ISSUES

The Government and COSATU, in all of its references to equality in Education, have promoted lifelong learning, which promotes the development of a person over a lifetime.

Internationally similar systems of education have been tried in order to develop the workforce. For instance in Britain, a system such as this was implemented to develop the people by standardizing and regulating education, in the early 1980's, but this system of education fell away due to the fact that the workforce was sufficiently skilled and the culture of learning had been instituted.

The impact of the skills development legislation on South Africa in reality should be considered and the question should be asked,

"Is it achieving its purpose in the clothing industry, and whether or not it is realistic in a shrinking industry?"

South Africa has a major education deficit this legislation is the Governments solution to the problem.

Whether or not there are any other incentives open to the Clothing Manufacturers for training and developing their people. The Department of Trade and Industry, which in its mission statement conveys its commitment to enabling export growth, job creation, as well as placing a focus on enabling Global competitiveness in the Clothing, Textile and Footwear, offers a DCCS (Duty Credit Certificate Scheme). This scheme entitles certain clothing and textile products, when exported, to earn duty credits, which can be claimed on a yearly basis. The incentive encourages manufacturers internationally without Government financial assistance. A proportion of the money that is received by the manufacturer has to be spent on training the workforce.

The concerning points raised by Mr Bowen (on page 30) the CEO of the SETA with relation to the number of companies that have registered with the SARS, the confusion surrounding the companies classification and what Chamber they belong to within the SETA. The administration of the skills development legislation within industry sectors is not clear, even to those people in power in the SETA, which should raise concern. As the system is new it could be assumed that this will change in the foreseeable future and will therefore create less confusion.
This company has only 50 employees. As a result of this they find it more difficult to keep up to date with legislative advancement such as the skills development legislation. This company does not have a Human Resources section to deal with training and development, therefore the administrative requirements may pose as a problem to this company.

When faced with the question as to whether or not the small manufacturer intended to train people this year I was faced with the question as to how the levy actually works, this indicates that training will be entered into as long as the levy is big enough to warrant it. The following example was given in order to aid in the manufacturer’s understanding of the levy payments for the year 2000.

Hypothetically:

In the year 2000

If a company’s total levy payment for a year is for example R30 000

20% of that money goes to the SETA for setting it up

30% of that money goes to the National Skills Fund for the training of the unemployed

This leaves you with R15 000 that the company can claim for the following grants:

Gran A 15% can be claimed for a skills development facilitator
Gran B 10% is paid for the submission of a workplace skills plan
Gran C 20% can be claimed for the implementation of their plans
Gran D 25% can be claimed for skills shortages

This means that for any training entered into using this example:

R30 000 - 20% = R6000 for training

(Totaling 50%)

Gran D is the only grant that can be claimed for skills shortages.

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This means that for any training entered into using this example:

R30 000 - 20% = R6000 for training

(Totaling 50%)

The following was explained in reaction to the question.

Hypothetically:

The year 2000

In order to aid in the manufacturer’s understanding of the levy payments for training and development, the administration requirements may pose as a problem to this company. As a result of this legislation, the company does not have a Human Resources section to deal with legislative advancement such as the skills development legislation to keep up to date with legislative advancements may pose as a problem to this company. As a result of this they find it more difficult.
**MEDIUM COMPANIES:**

**Size:** Over 50 but under 150 people

The companies interviewed had all been in business for 20, 30 & 52 years respectively and are all concerned about the shrinking market in South Africa as they watch their competitors go out of business.

3 Medium sized companies were interviewed and the outcomes were as follows:

Of the medium companies interviewed the following skills were trained before March 2000:

<table>
<thead>
<tr>
<th>Trained skills</th>
<th>Number of companies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Life Skills</td>
<td>1</td>
</tr>
<tr>
<td>Technical Information</td>
<td>1</td>
</tr>
<tr>
<td>Machinists / multiskilling</td>
<td>2</td>
</tr>
<tr>
<td>Supervisory</td>
<td>2</td>
</tr>
<tr>
<td>Workstudy</td>
<td>2</td>
</tr>
<tr>
<td>Cleaners</td>
<td>1</td>
</tr>
<tr>
<td>Examiners</td>
<td>1</td>
</tr>
</tbody>
</table>

When comparing this information with what is expected to be promoted by the National Framework by the SETA,

1. Operator Training,
2. Mechanic Training,
3. Multi-Skilling,
4. Supervisor Training.

There is a definite connection between what was trained in the past by the manufacturers and what was expected for future development by the SETA.

It is generally agreed by all, that the levy scheme was implemented by the Government to give the employers incentive to train and upskill the workforce, which would thereby increase the number of units produced, which in turn would create greater capacity and enable them to take on more work. This response upholds what the government has been trying to portray in its approach to skills development. It was said that the Training Board was not sufficiently up to date on training methodologies and course content. The legislation makes provision for healthy competition to develop between providers and this should raise the content standard available for learners, thereby enabling the clothing industry to trade globally in the longer term.

The manufacturers however did not speak about training leading to job creation, in fact it was felt that training and upskilling, would perhaps enable the companies to downsize, as the work force would be more productive as a result of the training.
The National Skills Plan will obviously eventually reflect the Workplace Skills plans which are submitted by the companies, to date though this information is not yet available.

The areas to be trained in the medium sized companies reflect a complete approach to skills development, where the learners be they managerial level or below, are considered on the whole to be equally important. Whether the information here will see a new 'Wholistic' approach as suggested by these findings is yet to be determined and the information will be made available from SAQA once it has been sorted and finalised at the end of October.

Like the small company all of the medium sized manufacturers will be claiming from the levy for Grant A and B, the companies that have engaged in training will claim for the training undertaken, as a result they will claim from Grant C as well and are unsure as to whether or not they will claim against Grant D.

All of the manufacturers intend to train their people either in house or externally, this is dependent upon time constraints and development time for material. In companies where everyone in the company has access to training which the company may be able to provide cheaper than outsourcing it. As far as 'in house' training material is concerned the companies will either develop or buy material and provide the training. In the case of management training there is a consensus of opinion that this will be done externally to obviate interruptions during the training courses.

It is the intention of the manufacturers to train their people in low season, instead of running on short time.

Two of the manufacturers are very positive about the fact that workforce training will improve productivity, as well as motivate staff. The other manufacturer however, pointed out that the union has had a negative influence on the development of its people as it promotes the idea that the 'white managers' are bad and 'white trainers' have a negative influence on the impact of training on the workforce. It was felt that the workers attitude was negative and that they though they were only being trained so that the white manager would get more production out of the factory, thereby making himself a greater income. This response was a 'maverick' one, as it is not reflected in speaking to the other manufacturers. On speaking to providers and manufacturers who have contact with people on the shop floor there is a need for the people to better themselves and improve their situation through learning new skills. In fact when interviewed one consultant mentioned that the workers in the Cape have always been keen to learn and go on courses, the reason for this was not however established.
LARGE COMPANIES

Size: Over 150 people

The companies had all been in business for 30, 32 and 66 years respectively all are solid businesses, but show concern for the companies which have had to downsize substantially and feel concern for those that have gone out of business.

3 Large sized companies were interviewed and the outcomes were as follows;

All three of the companies had been involved in training their staff before March 2000 when the legislation was implemented. The areas that the workers were trained in were as follows:

<table>
<thead>
<tr>
<th>Trained skills</th>
<th>Number of companies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management</td>
<td>2</td>
</tr>
<tr>
<td>Machinists / multiskilling</td>
<td>2</td>
</tr>
<tr>
<td>Supervisory</td>
<td>3</td>
</tr>
<tr>
<td>Quality</td>
<td>1</td>
</tr>
<tr>
<td>Mechanics</td>
<td>1</td>
</tr>
<tr>
<td>Life Skills</td>
<td>2</td>
</tr>
<tr>
<td>ABET</td>
<td>2</td>
</tr>
</tbody>
</table>

Again, when this information was compared with what is expected to be promoted in the National Framework by the SETA,

1. Operator Training,
2. Mechanic Training,
3. Multi-Skilling,
4. Supervisor Training.

It appears that there are some similarities in what was trained in the past by large manufacturers and what the SETA are expecting to be in the workplace skills plan for this sector, but it does not reflect a need for ABET and life skills as the case study shows.

The response to the reason behind the implementation of the training legislation by the Government is that the Government is trying to upskill the ‘masses’ and encourage personal development, thereby improving the quality of work produced and making South Africa favourable to international buyers. One of the manufacturers was confused as to the reasons behind the legislation as her company, which is a large one, has been training all of the time and she does not see that it would make a huge difference in her environment.

Two of the large companies have appointed internal Skills Development Facilitators and are pleased with their progress without the help of an outside
utilise what is learnt to the best advantage to the factory. It has been found in the past that workers who have gone for training are not given the opportunity to use their new skills because management do not have ownership, or the abilities to lead the workers to ‘better things’. By training management it was felt that the situation where learners are not given the opportunity to use what they learn will be prevented thereby benefiting the company tremendously.

All of the people within the company have access to training currently, and it will be the same in the future, however, this training will happen in accordance with the companies plan for training. These people will be trained both in house and externally.

When asked whether or not training and development of the workforce can lead to greater production the answer was an unanimous YES, but it was outlined that the training had to have relevance to the job that the learner is involved with, otherwise the skills will be wasted.

It was hoped that training staff would result in job creation, however there is concern as to the market and the inability of the clothing industry to compete globally, which would cause shut downs, and the fact that greater production by fewer staff could result in downsizing. They are looking forward to being able to promote staff internally as a result of the training as opposed to having to source workers from outside the company. There is not very much room for promotion within Clothing Companies although there is a lot of space for lateral movement.

All of the staff in the larger companies were more aware of the legislation and what is required and what will be gained from the legislation, this can be attributed to a greater union presence and greater involvement in drawing up the companies workplace skills plan.
and very little has been implemented within the companies in this regard, it is realistic then to assume that when the culture of learning is developed over time there will be a greater response. There were a number of union members represented at each of the standards generating workshop session, except for the last session, it can be said then that the people will hear ‘when the time is right’.

Legislating the process of skills development within industry as well as providing financial incentive to train workers is hoped to improve the current situation of unemployment, job creation and provide economic relief. From the response to the questions asked there is evidence to suggest that training will in fact increase productivity by enabling the operators to produce greater units within the same space of time.

Economic relief could perhaps be more possible through the DCC incentive scheme offered by the DTI, by promoting export. The Government funded scheme will promote overseas investment in local companies. The levy scheme on the other hand has to be internally motivated for self development which would in turn lead to an enhanced ability to compete internationally.

Job creation and unemployment are other issues pointed out by Government as desirable results of skills development and education. Within the clothing industry, which is shrinking rapidly, this is not the case, unemployment is increasing rapidly, making job creation impossible due to the volatile market.

It is legislated that the manufacturers have to pay towards the levy and fulfill certain requirements before a claim can be made to the SETA. If these requirements are not fulfilled then no payment will be made. Many of the smaller and medium sized manufacturers are going to be submitting claims for Grants A, B, not C as the understanding and clumsiness of the system to date has precluded getting money for training. It would appear that the system is not achieving what it was desired to be achieved in the first year.

The expectations of the SETA towards what training will be included in the national sectoral skills plan has been put under question in this study. There are a number of contradictions highlighted by the findings, it would appear that the findings of the workplace skills plan will alter this expectation and it will be put in line with the requirements of the industry.

Unlike the Equity Act there are no penalties for not complying with the requirements of the legislation. It is understood in the case where the manufacturer is legislated to pay the levy, but no skills development facilitator is appointed and no workplace skills plan is submitted, that there will be no financial returns from the SETA for any training done. Here the legislation is trying to promote the ideal of planning for the future in order to ensure that the skills development process is a well-disciplined and positive one. In the future the workplace skills plans will have to reflect the training plan for the company over a four-year period, which to small and medium sized clothing manufacturers is a new prerequisite. This has been done in order to ensure that the working environment is a healthy and dynamic learning one.
CHAPTER 7

IN CONCLUSION

From the discussions above it is apparent that the clothing industry is not in line with their fellow manufacturers internationally. In order to become internationally competitive and globally recognised the Clothing Manufacturers are going to have to train their workforce in order to improve general business sense, quality, productivity and efficiency.

A National Framework was developed in order to oversee and administer the process of education and training. The question here is whether or not it is possible physically to administer a project such as is proposed without the infrastructure and support base being in working order.

As mentioned in the analysis of the findings the managing director, or people directly involved in the manufacture of the garments, were directly responsible for the implementation of the skills legislation. This throws serious doubt on the future success of the companies.

Companies are fighting to remain in business and the people directly responsible for production (in the small and medium sized businesses) are 'wasting' valuable time on administering and promoting training and development, which is not their 'core' business. It is foreseen that this will cause major problems for the implementation of training within the businesses.

In relation to the above point, in trying to find more companies to interview with regards to their skills development plans for the future, it was found that within the space of one week (period in which the interviews were being held) that 2 medium sized companies had gone out of business, leaving approximately 500 skilled people out of jobs. This shrinking market is 'downsizing' dramatically and thousands of people have become unemployed, it has been said that since 1997 that 25 000 people have lost their jobs within the clothing industry. Many of the larger firms are having to retrench people due to the bad market. This is a frightening prospect, and one has to wonder if training the workforce is a priority in such a fickle market place.

It became apparent that there is a large move towards 'garage' businesses, where the informal sector are starting up with only a few machines and qualified machinists. These businesses do not have the pressures and constrains placed upon them by the SARS and other legislative requirements. In an economy where there are so many unemployed people, with clothing related skills, people will work under any conditions, in order to bring money into the household for the basic necessities in life.

As pointed out by the Human Capitalists if training of the workforce is to be undertaken there should be jobs available to those people for at least some of
though the situation is under control, and problems that have been identified are being dealt with. Awareness of the system of education is high within the clothing industry and in general the attitude is a positive one.
Integration of the new education and training legislation into the South African clothing industry

The following questions were used as an outline in order to conduct the interviews, it was not relevant to ask each question in some instances, but in all it provided a place to work from.

<table>
<thead>
<tr>
<th>Date</th>
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</thead>
<tbody>
<tr>
<td>Name</td>
<td></td>
</tr>
<tr>
<td>Position within Company</td>
<td></td>
</tr>
<tr>
<td>Name of Company</td>
<td></td>
</tr>
<tr>
<td>Location of company</td>
<td></td>
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</tbody>
</table>

Size of company:
How long have you been in business?

<table>
<thead>
<tr>
<th>Small</th>
<th>Under 100 staff</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medium</td>
<td>Under 300 but over 100 staff</td>
</tr>
<tr>
<td>Large</td>
<td>Over 300 staff</td>
</tr>
</tbody>
</table>

1. Has your company engaged in training its staff before March 2000?

2. If yes, what areas within your business did you train your people in? (example: Quality, Management, Supervisory, and Operators...)

3. What do you think that the government was trying to achieve by implementing this skills development legislation and introducing the levy system?

4. Have you registered with SARS for the deduction of your skills development levy?

5. Have you appointed a Skills Development Facilitator?
Your Views:

18. How will training your people make your company more productive? (If at all?)

19. How do you believe that training the people within the clothing industry will provide for job creation?

20. Can this new levy system concerning education benefit your business? Please explain why.

21. Has there been any kind of response from the people on the factory floor to the new education legislation?
   If so, what was the response?
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Personal Interview Hoosen Rasool, Quality Assurance Manager of the Clothing, Textiles and Footwear ETQA

Personal Interview Jeff Gilmour, Managing Director of DevTrain, Consultant and specialist in Education in Industry

Personal Interview Roger Thomas, Managing Director Methods Workshop, a Management Consultant to the clothing industry, statistics on the clothing industry SA and Internationally

Personal Interview Steven Thomas, A Director of Methods Workshop, a Management Consultant to the clothing industry, statistics on the clothing industry SA

Case Study:

Case study: Manufacturers Involved in giving Information over the telephone, this information is available on request.

The integration of the new education legislation into the South African clothing industry.