



Skills Development in the SA Public Sector: Expenditure & Outcomes



Pundy Pillay, Andrea Juan &
Thembinkosi Twalo



Aims of the Study

- ★ Determine the magnitude of public sector expenditure on skills development (national govt. and provinces) in relation to adherence to the 1% personnel budget requirement.
- ★ Assess outcomes/impact of SD expenditure.





Methodology



★ **Expenditure:** Desk-top study of national departments plus provinces – NT data; WSPs and ATRs of PSETA



★ **Outcomes/Impact:**

- a) National Departments: Correctional Services; Home Affairs; SARS
- b) Provinces: EC; KZN; Limpopo; WC
- c) Interviews; Questionnaire





Findings: Expenditure on Skills Development



1. Expenditure on SD in national departments was about R1.8 billion in 2009/10, substantially up from previous years.
2. Most departments spent more than the required 1% of personnel budget.
3. In 2009, more than 215 000 persons ('headcounts') were trained.
4. Huge variation in per capita costs.
5. A lot of money is being spent on short, non-NQF courses





Contd.- Provinces



- ★ Substantial differences between budgets and actual expenditure
- ★ Variety of programmes including bursaries, internships, USBSPs
- ★ Bursaries important in departments such as Education, SD, and Health – scarce skills
- ★ Cost per beneficiary varies widely across provincial departments



Findings: Outcomes/Impact

- ★ Very little work has been done to develop the necessary institutional mechanisms to measure the efficiency and effectiveness of training.
- ★ Little is known about the impact of training on PS productivity, increased occupational mobility or earnings
- ★ No clearly-defined paths exist for employees post-training.
- ★ In terms of institutional mechanisms, only KZN has made serious efforts to develop an impact assessment exercise.





Recommendations



- ★ PSETA should invest substantially more resources to improving quality of WSPs and ATRs; and building capacity to analyse such data.
- ★ DHET or PSETA should undertake regular studies to investigate the efficiency of resource utilization given the wide variance in per capita training costs.
- ★ Government must make greater efforts to measure impact of SD expenditure given the magnitude of such expenditure



Contd



- ★ In the development of appropriate institutional mechanisms, consideration should be given to ensuring that appropriate levels of general, specific, and scarce skills are developed.
- ★ Build on the promising model developed by the KZN Treasury for assessment of training.