

FP&M SETA

FP&M Seta holds the mandate to build the skills for 13 industries which include:

- Clothing
- Forestry
- Footwear
- Furniture
- General Goods
- Leather
- Packaging
- Printing
- Print media
- Publishing
- Pulp and paper
- Textiles
- Wood

The aforesaid 13 industries have significant value chain linkages between them. Strengthening these value chain linkages underpins the industrial growth and development strategies, and is thus the focus of many FP&M Seta skills development efforts to support the industries.

The core strategic challenge facing FP&M Seta is to find ways of supporting industries that are struggling to survive in a turn around strategy, to achieve the growth, development and transformation.

Sector skills plans are required to describe the “performance” of existing skills development efforts. The “impact” level of measurement is that FP&M Seta’s efforts will ultimately be measured by how economically, efficiently, effectively and equitably it uses skills development to support the growth and transformation of the industries from the current harsh economic realities toward the growth and transformation envisaged from the industry clusters.

The legal mandate of the FP&M Seta is defined by the Skills Development Act as amended. The purpose of the Skills Development Act are as follows:

- To develop the skills of the South African workforce
- To improve the quality of life of workers, their prospects of work and labour mobility
- To improve productivity in the workplace and the competitiveness of employers
- To promote self employment
- To improve the delivery of social services
- To increase the levels of investment in education and training in the labour market and to improve the return on the investment
- To encourage employers
- To use the workplace as an active learning environment
- To provide employees with the opportunities to acquire new skills
- To provide opportunities for new entrants to the labour market to gain work experience and
- To employ persons who find it difficult to be employed

The furniture industry currently has 2104 registered employers with the informal furniture manufacturing operations not accounted for. This is an indication of latent potential to be tapped in to in order to increase manufacturing and increase employment by facilitating cooperation and support to ensure growth and more employment.

Furniture manufacturing is mainly concentrated in 3 provinces: Gauteng (37%), Kwazulu Natal (23%) and Western Cape (19%). The remaining 21% is produced in the other provinces. The two biggest manufacturers are CN Business Furniture and Bravo Group. There is little specialization in the industry with very few manufacturers focusing on one category of furniture.

It is well established in South Africa and internationally that more rigorous methods should be used in sector skills planning. Labour market forecasts, signalling models, cost-effectiveness models and qualitative approaches are the standard techniques used anywhere in the world. The Sector Skills Plan for 2013 and 2014 has combined a forecasting model with qualitative approaches such as interviews and stakeholder consultation. Factors such as capital intensity, productivity, labour elasticity, capacity under-utilisation, occupational employment forecasts and replacement demands were also taken into consideration.

FP&M Seta has both the challenge and the opportunity to critically evaluate and consider every element in the skills supply pipeline, from school entry to exit, entry into further and higher education and into continuous professional development.

FP&M Seta understands the challenges in the context of the impact of the new economy associated with the phenomenon of globalisation and it is committed to:

- Improving the qualification levels of both employees and new entrants as outlined in the skills pipeline in order to meet the skills requirements of the sector going forward;
- Assisting its constituents to meet skills requirements;
- Facilitating the development of work-focused credit bearing courses that address real needs;
- Continually pushing towards a stronger focus on increasing competitiveness diffusion of technology and improving the quality of the workforce;
- Developing a strong emphasis on research and development that promotes product development, innovation and entrepreneurship to move the FP&M industries towards global competitiveness; and
- Developing e-learning capability in institutions to cater for employed workers.

Scarce skills refer to areas within occupations in which there is a shortage of qualified and experienced people due to unavailability of such people or because these people do not meet given employment criteria. Scarcity may arise due to absolute scarcity in which few people hold the necessary skills or qualifications. These skills are either impossible to replace or extremely difficult to replace should they exit the sector. Absolute scarcity results in low growth and productivity of companies in the sector and the sector itself. Relative scarcity of skills pertains to skills that are difficult to attain due to geographic location, equity requirements or the lead time on attaining the necessary skills. Critical skills refer to “top-up” skills with an occupation. These can include cognitive skills, such as problem solving, language and literacy skills. These “top-up” skills can be specific to a particular occupation resulting in skills gaps which may arise because of phenomena such as improved technologies or new forms of work organisation. All FP&M Seta industries report investments in new technology, and training new staff to use such technology is therefore a key critical skills driver for the sector.

The National Skills Development Strategy for 2011 – 2016 requires sector skills strategies to contribute to the achievement of the country's new economic growth and social development goals. These are embodied in the New Medium Term Strategic Framework's priorities which include:

- Speeding up growth and transforming the economy to create decent work and sustainable livelihoods
- Massive programme to build economic and social infrastructure
- Comprehensive rural development strategy linked to land and agrarian reform and food security
- Strengthen the skills and human resource base
- Improve the health profile of all South Africans
- Intensify the fight against crime and corruption
- Build cohesive, caring and sustainable communities
- Pursuing African advancement and enhanced international cooperation
- Sustainable resource management and use
- Building a developmental state, including improvement of public services and strengthening democratic institutions.

The FP&M Strategic Framework aims to provide a basis on which the FP&M Seta will respond to these policy imperatives. A number of the objectives are formulated at a high level of generality to allow for the differences in skills strategies that are appropriate to the different industries within the sector.

Key Action Programmes for the forestry industry cluster include fast tracking the issuing of water licences, formalising community structures to improve participatory management, providing capacity in the water licence application process, assisting with funding and business planning process, as well as providing skill and technology upgrading. Other priorities include establishment of furniture clusters in KZN, WC and Gauteng as well as furniture centres of competence for high level skills and technology training.

Key issues to be addressed in the forestry sector include climate change, effects of the global economic recession, extension support services and implementation of the Forest Sector Transformation Charter. The Department of Agriculture, Forestry and Fisheries has initiated the Forestry 2030 Roadmap to address these pressing issues and the Roadmap will assist the sector in job and wealth creation efforts as well as conservation of biological diversity.