



**the dtic**

Department:  
Trade, Industry and Competition  
REPUBLIC OF SOUTH AFRICA

## THE NATIONAL ASSEMBLY

### QUESTION FOR WRITTEN REPLY

#### QUESTION NO. 2724

**Ms C Makhubele (MK) to ask the Minister of Trade, Industry and Competition:**

- (1) What (a) plans has his department developed to achieve an annual economic growth rate that is higher than the current projections and (b) specific targets for economic growth has he set for the manufacturing sector in the next (i) three and (ii) five years, respectively;
  - (2) how does his department plan to collaborate with educational institutions to improve technical and vocational training for the manufacturing workforce?
- NW3087E

#### REPLY:

(1)(a)&(b)

**the dtic** is a co-chair of the Economic Cluster and thereby contributed to the development of Government's Medium-term Development Plan (MTDP). The development of the MTDP included economic modelling by independent service providers to review baseline economic growth projections and to model the potential impact of key MTDP interventions. Based on these analyses, Cabinet agreed on an annual GDP target of at least 3% growth which is significantly higher than most baseline projections which are in the order of 1.5-1.8% GDP growth. **the dtic**'s contribution to the MTDP is captured in the Department's 2025 Strategic Plan and Annual Performance Plan and the interventions outlined therein represent the detailed plans through which **the dtic** will contribute to the MTDP target of at 3% GDP growth.

(2)

Vocational Education and Training (VET) is critical to skilling the workforce and addressing economic and social challenges, especially for students who cannot access higher educational institutions. The VET programmes equip students and learners with skills that are in need and demanded by the industry, which eventually helps to create a workforce that is more skilled and adaptable. By focusing on practical skills and hands-on training, vocational training ensures that individuals are well-prepared to quickly respond to labour market needs. Vocational training also ensures that individuals are prepared for industrial changes and to respond to new emerging technologies.

The Master Plans in retail-clothing, textiles, footwear and leather; sugar; poultry; automotive, steel and metal fabrication; furniture and medical device sectors, have targeted programmes on upskilling personnel. These training programmes are delivered in partnerships with different industries, Department of Higher Education and Training (DHET), Technical Vocational Education and Training (TVET) Colleges and Sector Education and Training Authorities (SETAs). The VET programmes are delivered through National certificates and diplomas; learnerships; apprenticeships and skills development programmes.

**the dtic**, DHET, Eastern Cape and Gauteng Provincial Governments have to date invested more than R700 million into the programme to build the necessary capacity (human resources and physical infrastructure) to deliver international and domestic recognised trade and part-qualifications, including toolmaking capacity in-line with industry needs.

The decline of South Africa's tooling industry has a negative effect on the manufacturing sector. Therefore, since 2009, **the dtic** entered into a partnership with the SA Tool, Die and Mould (TDM) industry, represented by the Production Technologies Association of South Africa (PtSA), previously known as the Toolmaking Association of South Africa (TASA) – to develop and implement programmes aimed at addressing the needs of the TDM Industry. **the dtic** continues to support the INTSIMBI Future Production Technologies Initiative (FPTI), to implement a turnaround strategy for South Africa's distressed tooling industry, which is key for the industrialisation of the country.

Furthermore, the B-BBEE Codes of Good Practice have skills development as one of the priority elements. The skills development scorecard measures monetary spend on black employees and the number of black employees who are enrolled in learnerships and/or structured work-based learning programmes.

**-END-**