# The source of skills frustrations?

The impact of the Skills Development Act on the economy's performance is increasingly being questioned together with the role being played by the Setas. Labour's ability to engage is also under the spotlight. **Stephanie Allais** and **Deborah Byrne** analyse why labour is finding it hard to influence education and training transformation.

or those in the labour
movement still engaged in the
vast number of structures
created by South Africa's new education
and training dispensation, the
statements above will sound familiar.

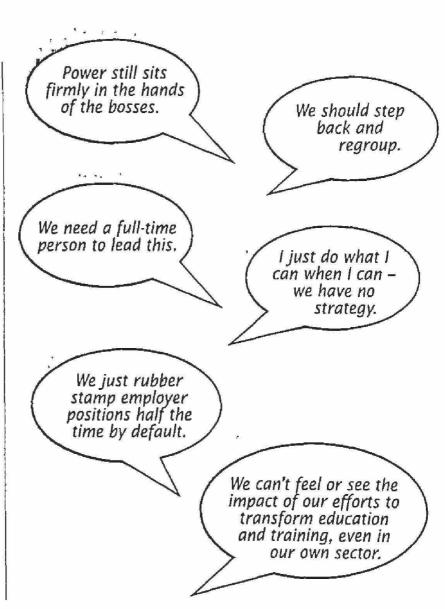
Responses mostly argue that labour should commit more resources to education and training so that it can have a greater influence. Unionists need 'capacity building' to enable them to engage better.

We think labour needs to start being more critical of these policies and not of its own lack of capacity to engage.

It is also argued within the labour movement that because of labour's decisive role in setting up the new system unionists must make it thrive.

Many unionists believe that the skills development strategy and its accompanying legislation, processes, and structures were essentially proposals around redress of education opportunities. We, however, believe that this broad policy thrust was located within an ideological framework that was not always explicit but that affected it fundamentally.

We believe that the labour movement's engagement in training has been the result of buying into a



myth that says there is no alternative, and the training discourse is part of propping up that myth.

There is a commonly held view that critique is premature because of the newness of the system, in our view, a political critique of this dispensation is not premature but long overdue, and is fundamental to understanding the problems currently being experienced.

#### No choice?

We argue that the new national education and training dispensation was developed within a macroeconomic framework that assumed South Africa had no choice but to move towards global competitiveness.

It was and still is argued that 'there was no choice', that South Africa'... either take the flexible specialisation path or face continuing deindustrialisation, declining living standards, and economic vulnerability', (Foley 1994:123)

'Post-fordism' was seen as the best approach to overhauling the economy.

The very notion of 'post-fordism' is of course contested. However, as it is a particular aspect of neoliberalism that has fundamentally influenced education and training, we use the term in this article.

The 'common sense' story of postfordism, which many in the labour movement bought into, says that the only route for national economies and business is to become competitive in international markets for high-tech, high quality products.

To achieve this, cooperation between government, business, and labour was necessary, to develop the flexible and competitive labour market and strong and stable social infrastructure required for global competitiveness.

Belief that this was the only solution for South Africa underpinned the codetermination arrangements that labour found itself in after the transition to democracy, despite the fact that labour often articulated criticisms of neoliberalism.

#### Post-fordism and education

At the centre of post-fordist strategies sits education, there to 'guarantee the economic future of the nation state'. (Wallis 1999:1)

This is reflected crisply in a 1994 SA Labour Bulletin feature on the Industrial Strategy Project's findings. This project argued for an 'intelligent production society'.

Their thesis was that 'constant skill acquisition: the establishment of a nexus between skills, grading and wages ... allows workers to move up a career-path through the provision of training modules accredited by tripartite bodies'.

Part of the 'common sense' story of post-fordism is the 'high skills' thesis. This thesis says that training and skills development are required for global competitiveness. The strategic edge is mainly achieved by the effective use of human resources.

The 'high skills' thesis says that equilibrium can be achieved of high skills and good Jobs. But many countries are stuck in an equilibrium of low skills, which becomes self-perpetuating as capital does not invest in industries where high levels of skill are required. Through coordinated state action a country can turn around from a low skills route to a high skills one.

The promises of the 'high skills' route is discussed by Phillip Brown, (Brown et al 2001) who argues that this ideal 'high-skills' society requires key societal conditions to be prevalent. When researched, this was only found to be true of Germany.

Despite the lack of empirical evidence that the 'high skills' route is a realistic one, South Africa's new

education and training system is premised on this 'export-led growth' post-fordist approach, as Cooper points out. (1998:150)

The system is explicitly designed with a belief that it can enhance the competitiveness of the nation by promoting a flexible and skilled workforce in advanced industries and other sectors.

The new integrated education and training framework claims to link schooling, adult education, tertiary education, and corporate training into a coherent human resource development policy. This approach flows naturally from the post-fordist thesis, designed to 'allow for portability of skills and engender flexibility in the provision of learning with ease of entry and exit'. (Industrial Strategy Project 1994:68)

## Does SA have a post-fordist economy?

Some define post-fordism as a break with assembly-line mass production and a move to 'flexible specialisation'. Karl von Holdt (1991:19) argued that the break with mass production is at best 'piece-meal' given our stage of industrialisation.

Tony Kgobe (1997) points out that South Africa's workplaces are made up of a large, relatively homogenous group of workers with roughly equivalent skills, and a small group of more skilled workers.

## Should SA want a post-fordist economy?

Economic policies that have been implemented around the world and packaged in romantic notions of achieving global competitiveness have almost always made workers' lives worse.

John Wallis argues (1999:2) that in the UK the results of post-fordism is 'the decimation of established

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industries and their related communities and the creation of a permanent pool of unemployed people .. The promised new wave of jobs were essentially not largely high skilled but at best semi skilled and often casualised and frequently gendered. Low-skilled and low-paid Jobs in the service sector far outstripped the high tech occupations ... Organised labour was weakened and the very meaning of skills itself was undermined."

In fact, as more and more economic analysts are pointing out, contrary to the 'common sense' story, the highly educated, multi-skilled flexible workers of the future will be the minority experience. Post-fordism presents the minority experience as the norm.

#### Training an 'ideological legitimation device'?

Shields (1996-68) argues that, in Canada, post secondary education has increased the supply of highly educated labour who receive higher annual earnings and experience lower rates of unemployment. 'The returns per student on post secondary education have proven to be more effective than most training programmes. In this light the rhetoric of learnfare becomes little more than an ideological cover for state retrenchment and more polarised labour market.'

Dunk, et al assert 'The increased emphasis on training may serve as an ideological legitimation device by suggesting that governments are taking an "activist" stance.'

In our view, firstly, the emphasis on training does not address the problem of a lack of jobs. Secondly, it ignores the fact that if once rare capacities become widespread they are unlikely to continue to be perceived as high skills. And the logic of supply and demand will cause a reduction in their economic



value. Thirdly, it will ensure that structural unemployment and the policies supporting it are not within the sphere of public discourse and debate.

The post-fordist approach to education and training blames the victim rather than the system for unemployment. Individuals have the responsibility to gain the skills necessary for ensuring personal economic viability.

An example of this is found in the different interpretations of lifelong learning

## Lifelong learning - opportunity or obligation?

Lifelong learning, which all South Africans seem to believe in as a totally desirable policy goal, has been quickly absorbed into a learning market approach. Institutions sell learning opportunities to individuals.

Lifelong learning becomes an onus on individuals to continue 're-skilling' themselves at their own cost in their own time.

In the market approach to lifelong learning in South Africa, the state withdraws to provide an absolute minimum of education and training. It instead channels money that it has taxed from employers into providers through a complex process and a complex regulatory bureaucracy.

Lifelong learning would be desirable for labour if it involved increased provision of education and training by the state. But in the South African education and training system, the Setas, which receive 80% of skills levy money, do not train. Instead, the 25 Sector Education and Training Authorities (Setas) are tasked to disperse grants to employers (through highly complex processes); develop sectoral strategic plans; and to regulate provision (quality assurance)

#### **Engaging with the Setas**

Setas are the core structures of the skills development strategy. Because of the co-determinist approach, labour's engagement with education and training shifts to participation in this myriad of complex regulatory processes.

Social partners within codeterminism do not bring and hold 'equal power'. Business is frustrated by the demand for huge numbers of representatives required to sit on the various structures, and appear to be turning increasingly to consultants. But labour, besides having far fewer resources, operates on a democratic basis of mandated positions. It therefore has more problems of representation in large numbers of structures.

Labour's strength is not maximised by 'despatching' thousands of unionists to disparate structures. In fact, organising expertise of unionists is undermined in these structures, because many of the forums require sector specific experts rather than social change activists. These structures distract and divert labour's collective organising power into technocratic oversight functions.

#### Other systemic problems

There are a myriad of other problems with the dispensation but we will only focus on the following:

Firstly, the huge amount of money sitting in the Skills Development Fund has ended up going into Setas because there is no infrastructure and no clear plan was made for spending it. Very little money is reaching providers of education and learners, and a lot is being soaked up in the regulatory bureaucracy.

Secondly, organised business has a greater voice in determining education policies than ever before. Although industry is not a homogenous entity, the education and training system set up has given industry leverage over education. The increasing shift of education and training from education institutions to workplaces allows employers greater control over what is learnt and how it is learnt.

What are labour's alternatives?
Will ploughing in 'more capacity' solve

the problem or in fact divert scarce resources away from more important struggles in which unions could be involved? So what are labour's alternatives? If labour does not strengthen its role in the Setas and other structures, will it be handing them over to business?

We believe that unions should deprioritise engagement with this level of education and training structures. Spending union time and other resources on engaging this complex education and training dispensation deflects attention away from the underlying problems, drains unions, and engages unions in designing a training system that will not benefit workers.

Instead, unions should fight employers for the right to education, and the state to provide education.

We contend that labour's engagement with education and training should essentially be a bargaining issue.

We are not proposing that we entirely abandon engagement with the dispensation but rather that labour targets critical features of the system that would contribute towards making a fundamental difference to the working class. We should focus on campaigns for:

- paid time off for both Job-related training and personal development training;
- a vast increase in provision of adult basic education;
- state provision of 12 years of free education in schools with good facilities and well trained teachers;
- expanded and funded public colleges and libraries;
- reduced fees at colleges and universities.

Such demands, together with a labour movement led campaign against the state's macroeconomic policy, might take us forward.

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