

Benefits of submitting skills development, training reports

Skills development is not only a legal obligation for businesses in South Africa, but also a strategic advantage. By investing in the training and development of their employees, businesses can improve their Broad-Based Black Economic Empowerment (B-BBEE) level, claim back incentives, and address skills gaps in their organisation, explains Dimpho Vilankulu, skills development specialist from Strata-g Labour Solutions.



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According to the Skills Development Act, businesses are required to submit an annual workplace skills plan (WSP) and annual training report (ATR) to their relevant Sector Education and Training Authority (SETA). These documents outline the current and future skills needs of the organisation, as well as the training activities undertaken to meet those needs.

The deadline for the submission (30 April 2024) of the WSP and ATR is fast approaching, and businesses are urged to start preparing their documents as soon as possible. By submitting these reports, businesses can benefit in several ways:

- They can qualify to claim back a 'mandatory grant' of 20% of their skills development levy (SDL), which is a tax imposed on employers to fund education and training in South Africa.
- They can maximise their points earned under the skills development priority element for B-BBEE, which measures the extent to which businesses invest in the development of black employees and black-owned suppliers.
- They can identify and highlight skills gaps in their organisation, which are the differences between the skills required for a job and the skills employees possess.
- They can implement training interventions to minimise these skills gaps, and thereby improve the productivity, performance, and retention of their employees.
- They can apply for 'discretionary grant' funding to address 'critical and scarce skill shortages' identified in their industry, which are skills in high demand but low supply in the labour market.



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Skills development is not only beneficial for businesses but also for employees. By participating in training programmes, employees can enhance their knowledge, skills, and competencies, and increase their employability and career prospects. They can also gain recognition and accreditation for their learning achievements and contribute to the social and economic development of the country.

Employers looking to get the best out of their skills development initiatives can leverage the expertise of professionals in the labour market. These partnerships can empower employers to enhance staff productivity through various skills development strategies, nurturing a more adept workforce primed for organisational growth.

Furthermore, enterprises using labour specialists can not only elevate their B-BBEE ratings but also unlock avenues for government funding and tax incentives. Employers can monitor and evaluate the impact of their training initiatives thereby charting a path towards sustained success in the evolving economic landscape.

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