

Impact of SDA on Business

Advantages

Encourages businesses to improve the skills of their workers

Redresses the imbalances of the past through education and training.

Develops skills of the people in South Africa to improve productivity,

Invest in education and training of workers.

Encourages workers to participate in learning programmes.

Disadvantages

Many Service Providers that offer training services are not SAQA accredited

Implementation of the SDA can be difficult to monitor and control.

Increases cost as the process requires a large amount of paperwork.

Skills Development may not always address training of employees.

Purpose of the SDA

- Develops skills of people in South Africa to improve productivity.
- Encourages businesses to improve the skills of their workers.
- Redresses the imbalances of the past through education and training.
- Invest in education and training of workers.
- Encourages workers to participate in learning programs.

How SETA's are Funded

- Funds received for rendering their services.
- Receive surplus funds from government institutions.
- Donations and grants from the public.

Role/Functions of SETA's in supporting the SDA

- Register Learnership Agreements.
- Promote and establish learnerships.
- Report to the Director General.
- Provide accreditation to skills development facilitators.

Consequences of Non-Compliance

- Businesses that do not pay the Skills Development Levy may not be offered learnership/claim grants from the SDA.
- A labour inspector could order the business to stop operating.

Meaning of Learnerships

- Theoretical/Practical training opportunities that can lead to a recognised occupational qualification.
- May include employment for a specified period after the learnership is completed.
- Results in a qualification registered on the NQF.
- It includes a structured component as well as practical work experience.

Ways in which Business can Comply with the SDA

- Provide all employees with the opportunity to improve skills.
- Employees who collect SDL should register with SARS.
- Encourage employees to participate in learnerships and other training programs.
- 1% of an employer's payroll must be paid over to SARS.
- Business should register with the relevant SETAs.

Actions Regarded as Non-Compliance

- Providing employment services for gain without being registered as an employer.
- Providing fraudulent information in any prescribed document.
- Preventing employees from signing for a learnership due to age or position.



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Page 2 of 2.

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