

## TRENDS AND ISSUES IN SA'S GRADUATE LABOUR MARKET

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*The #FeesMustFall movement is running riot, and free tertiary education is the demand, but is the higher education system already producing too many graduates? Are there enough opportunities in the labour market for every new graduate every year?*

By examining the government's quality indicators for learning and teaching, it is possible to measure students' experience, satisfaction and graduate employment outcomes. It is essential to analyse how well the higher education system is meeting labour market needs, and design innovative employer satisfaction surveys to assess the technical skills, generic skills and work readiness of graduates.

Gizelle McIntyre, Director at The Institute of People Development (IPD), reports that South Africa has one of the highest rates of public investment in education in the world. "At about seven percent of gross domestic product (GDP) and 20 percent of total state expenditure, the government spends more on education than on any other sector. Government spending on basic education during 2015/16 is estimated at R203 468 billion."

A recent study has revealed that only 0.07 percent of more than a million employees permanently employed in South Africa hold a PhD, despite universities reportedly producing 14 155 PhDs in the ten-year period from 2002 to 2012. "The study, which looked at the employability of PhD graduates in South Africa, indicates that graduates are struggling to find employment in the country."

According to Dr Amaleya Goneos-Malka, Post-Doctoral Research Fellow at the University of Pretoria, PhD graduates are often excluded from the recruitment space because they are seen as overqualified by human resource personnel. Goneos-Malka says that the first part of the study looked at recent PhD graduates from 14 leading South African universities and considered graduates' perspectives and perceptions of the employment space. Fifty percent of PhD graduates had either experienced, or had peers who had experienced difficulties finding employment.

What then, you may ask, is the point? McIntyre believes the answer lies in ensuring work readiness. "Approximately 600 000 university graduates are languishing at home, unable to put into practice what they have learned," says Labour Market Analyst, Loane Sharp). The reality is that university qualifications are not the only qualities employers look for when

recruiting. “A lack of work experience, however, is another significant drawback,” confirms McIntyre. “Most graduates in search of jobs either lack work experience, practical “on-the-job knowledge”, and the supervisory skills they need – or their degrees are irrelevant to the job market. The South African Graduates Development Association (Sagda) blames a number of factors for the country’s growing graduate unemployment crisis. One of them is successfully matching those with skills to the jobs which require them.”

How can this problem be solved? According to Dreyfus and Dreyfus, “constructive workplace learning is directed at shifting the individual from being merely competent to becoming proficient or expert.” Various work readiness initiatives are available, including Learnerships, PIVOTAL Grants and Workplace Learning, and PIVOTAL Programmes.

These initiatives should be aimed at meeting the scarce skills needs. “Scarce and critical skills refer to an absolute or relative demand, current or future, for skilled, qualified and experienced people to fill particular roles, professions, occupations or specialisations in the labour market,” concludes McIntyre.

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*Boilerplate:*

Founded in 1999, Workplace Skills Solutions t/a The Institute of People Development (IPD) strives to equip, prepare and certify practitioners to serve South Africa’s skills development strategy and facilitate the transformation of education and training. Over the years, IPD has become the preferred people development partner to most state owned and private enterprises in Southern Africa. IPD has assisted over 500 public and private training providers across most sectors of the economy to achieve or maintain accreditation through consulting, training and providing published guidelines. For more information, please contact IPD at [trainingenquiries@peopledev.co.za](mailto:trainingenquiries@peopledev.co.za) on (011) 315 2913 or visit [www.peopledevelopment.co.za](http://www.peopledevelopment.co.za).