The Department of Higher Education and Training has commissioned the Human Sciences Research Council to lead a national research consortium supporting them in creating a strategic labour market intelligence system.

Globally labour market information and intelligence systems are established to provide analytical insights which support the development of policies and intervention programmes across the education and training, skills and employment systems.

We need a strong foundation of labour market information – credible datasets across the post-school system and labour markets, down to sector, occupational and regional levels of analysis. Accurate, complete and compatible information systems are absolutely necessary, but this is not sufficient. We need equally strong labour market intelligence research that analyses dynamics, capabilities and constraints. The current global state of uncertainty over finance, trade and employment makes a labour market intelligence system even more essential.

A labour market intelligence system will empower students and work-seekers to make the correct education and skills decisions, making them more attractive to employers.

Government and companies will be able to make better strategic decisions in matching skills demand and supply. This will lead to increased productivity and profits.

Education and training institutions – adult education and training, workplace training, the FET college system, artisan and technical training and higher education – will be able to respond to shifting labour market demand signals more effectively.

Contributing research and capacity building in a systematic, focused and coordinated manner, towards the establishment of a credible institutional mechanism for skills planning, in order to achieve the national priority of a skilled and capable workforce for an inclusive growth path.

Experience in many countries highlights that central to labour market intelligence is the quality of the processes of consultation and communication between researchers, policy makers, stakeholders and partners. The national capacity for labour market intelligence is small and fragmented. Our task is to build a culture of collaborative partnership to co-ordinate efforts. The core research consortium consists of the HSRC, the Development Policy Research Unit at University of Cape Town, and the Education Policy Unit at University of Witwatersrand. Other partners include research institutes, universities and independent consultants.
Contributing research and capacity building in a systematic, focused and coordinated manner, towards the establishment of a credible institutional mechanism for skills planning, in order to achieve the national priority of a skilled and capable workforce for an inclusive growth path.

**Theme 1**
Establishing a foundation for labour market information systems in South Africa activities will range from the conceptual to the technical: supporting the design of an indicator system, technical support with integrating data systems, data curation, research on the current application and incentivisation of management information systems, coordinating frameworks for organising and managing labour market intelligence and a research website.

**Theme 2**
Skills forecasting: the supply and demand model is a project of the Wits Education Policy Unit. The main contribution is the use and creation of a Linked Macro-Education Model for South Africa. The aim is to develop a system for regular forecasting of the supply of and demand for skills.

**Theme 3**
Studies of selected priority sectors focus on a set of skills needs-employment-and-growth outcome sector studies. The research contribution will be the development of a generic SETA labour market survey, which, in future, could be used by all SETAs. They form the basis of a more nuanced analytical understanding of the workplace skills demand and supply challenges at sector level.

**Theme 4**
Reconfiguring the post-schooling sector will investigate the ways in which alignment between different types of public and private education and training systems and labour markets can be improved. It will investigate how institutional capabilities, structures and curriculum mechanisms facilitate or constrain interaction with labour market organisations, in a differentiated post-school sector.

**Theme 5**
Pathways through education and training and into the workplace will develop a longitudinal national youth panel survey, to assess young peoples’ transitions, and the barriers to achieving greater efficiency and effectiveness in outcomes. The outcomes will be in relation to the education and training system, and the dynamics of the labour market and economy. International examples will be examined to derive lessons for implementation and sustainability.

**Theme 6**
Understanding changing artisanal occupational milieus and identities proceeds from the argument that we have been unable to address why the country has stopped producing quality artisans because of a narrow understanding of the context within which artisanal skills development and practice is taking place. A set of inter-linked projects will examine the history of artisanal development, and the impact of changing occupational structures, knowledge and skills bases.

**Research-policy nexus**
Workshops and policy dialogues will facilitate debate and uptake of evidence. Capacity development projects include funding post graduate bursaries, and structuring workshops to enhance the capacity of DHET and SETAs to interpret labour market research.