

Executive Summary

It is without a doubt that practical work experience can increase the chances of finding employment. Previously, learners were either not remunerated or remunerated with a relatively small amount of money, resulting in those from previously disadvantaged backgrounds often limiting their participation in programmes and not being able to complete a programme. It is government policy that employers are required to pay individuals a stipend while undertaking a work-based training programme. However, this is an additional financial burden on employers, leading to some employers being reluctant to open their workplaces to learners for training purposes. Previous research has indicated that learners require adequate stipends to afford basic necessities. Thus, stipends play an important role in making sure that Sector Training Authorities (SETAs) achieve their training objectives. Currently, the stipend amount varies across employers, all 21 SETAs, and various work-based training programmes.

The purpose of this study is to understand stakeholders' (learners, employers and the HWSETA) perceptions towards stipends. The research sets out to investigate how stipends may have affected the learners' well-being and learner performance during their participation in the work-based training programmes. The study used a qualitative method, which entails conducting semi-structured interviews largely with learners.

There seems to be a general understanding that a stipend is not an allowance, which tends to be less formal, but rather a form of financial support. Individual learner backgrounds and contexts vary during the time in a work-based training programme, which determines what needs learners may have. The study found that learners apply for work-based training programmes through different means and therefore the employer is not a factor that influences their decision, neither is the stipend amount. In some cases, learners only know about the stipend amount offered once they receive an actual offer to sign. Learners stated that most of the money was spent on transport, particularly for those who are required to work and attend lectures at training centres during the month. Furthermore, the study reveals that learners do take the stipend as a form of motivation (attraction to apply). However, in some instances, learners were compelled to work without a stipend, merely to complete work experiential learning because it is a requirement to graduate.

One challenge faced by the HWSETA is that it is indirectly coerced into increasing stipends in some work-based programmes because, in some instances, some employers offer a top-up amount to learners. The research found that currently there is no policy to guide the determination of stipend amounts. Furthermore, no official benchmark has been conducted to allow for a comparison with other SETAs and employers.

The study affirms the value of stipends in the learner's well-being. Although stipends are primarily meant to support the learner's training process, they also appear to be an additional social-economic and welfare assistance to the students and their families. Expectations that the stipends be increased can be seen in this light. One critical positive is that stipends have assisted in the recruitment and learner retention in the work-based programmes. This is shown through reduce absenteeism and increased learner performance in the programmes.

The study recommends a benchmarking exercise to enable the HWSETA to compare its stipends against other employers and SETAs. There is also a need for a policy or standard operating procedure, which will enable a more structured process when determining stipend amounts. One of the recommendations is that the stipend amounts have to be increased to take into account the fact that many learners come from poor families, and they rely on stipends to participate in the programmes.