

SDL Citizen 3/5/12

Veta wants 6pc cut from skills development levy

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Arusha. The Vocational Education and Training Authority (Veta) has appealed to the government to increase to six per cent the funds remitted to it through skills development levy (SDL) from the current two per cent.

Education and Finance ministries are currently consulting with other stakeholders on the request.

Veta believes that the increase would help to improve vocational education training, which it says has become increasingly costly in recent years.

The funds would also support the institutional capacity of the authority as well as enable institutions under it to effectively carry out their mandate, including establishing training centres in all the districts across the country.

According to the deputy minister for Education and Vocational Training, Mr Philipo Mulugo, it was obvious the operational costs of running the vocation training colleges have gone up because of their increasing number.

Speaking before the Vice President, Dr Mohamed Gharib Bilal, during the launching of the Manyara Vocational Education and

MORE INFO: ABOUT VETA COLLEGES

Currently there are Veta colleges in all 21 regions and in some districts.

While about 800,000 students complete primary and secondary education each year, Veta colleges have the capacity to absorb only 125,000 students annually for various types of vocational education training.

Training Centre in Babati on Monday, Mr Mulugo said Veta colleges have now covered all the 21 regions and some districts.

Mr Mulugo added that it was high time the ministry in collaboration with other ministries and Veta reviewed the costs of running the vocational training institutions so that their quality of training is not compromised.

"I want to confirm that we (the ministry) have received a request from Veta to have skills development levy increased above what the agency is now getting. We are working on the matter in collaboration with the ministry of Finance and Economic Affairs," he said.

SDL is intended to be used for employee training skills and development. For Veta, an

autonomous government agency set up in the 1990s to guide vocational education and training system in the country, it has been its main source of income.

The collection is levied at six per cent of payroll for employers with four workers and above. The Tanzania Revenue Authority (TRA) collects the money and Veta gets one-third while two-third of the collection is remitted to the government.

With the escalating costs, Mr Mulugo noted, increased funding through SDL can make up for the shortfalls in investments in vocational education and training by individuals and private enterprises.

Mr Mulugo said the government appreciates cooperation shown by many employers by contributing for SDL.

Veta director general Zebedayo Moshi said its centre in Manyara Region has been constructed at the cost of Sh4.23 billion being part of a loan from South Korea extended within the framework of Economic Development Cooperation Fund (EDCF).

Three other colleges have been constructed at Lindi, Coast and Dar es Salaam regions, all at a cost of \$18 million (about Sh22 billion) when combined with the newly inaugurated Manyara centre.