

16: EDUCATION

AIM

The aim of the Department of Education is to develop a national framework for the promotion of education and training.

Main functions

The Constitution lists education as a concurrent, legislative function with shared responsibility for all levels of education except tertiary education. Tertiary education is the exclusive domain of national Government whereas responsibility for other levels of education is shared between national and provincial government.

The national Department of Education is responsible for overall policy for all levels of education and funding and implementation of policy for higher education. Provincial governments are responsible for the funding and provision of all other education services, including school education. This chapter covers the budget of the national Department of Education only.

EXPENDITURE ESTIMATES

Table 16.1 Expenditure by programme

R million	Expenditure outcomes			Preliminary estimates	Medium term expenditure estimates		
	1995/96	1996/97	1997/98	1998/99	1999/00	2000/01	2001/02
Administration	24,2	40,2	45,2	37,3	52,3	57,6	60,9
Systems and planning ¹	11,4	20,0	20,0	29,2	233,5	296,2	308,2
General and further education and training ¹	–	–	467,8	665,5	109,4	82,0	85,0
Higher education	4 127,5	5 254,5	5 438,4	5 917,7	6 621,5	7 026,0	7 460,4
Auxiliary and associated services	1,9	4,7	3,4	49,5	11,5	12,3	13,1
Total	4 165,0	5 319,4	5 974,8	6 699,2	7 028,2	7 474,1	7 927,6

¹ Spending by programme has been reclassified where possible to correspond to the current programme structure.

In 1997/98, the *General and further education and training* programme received a budget for the funding of youth and community colleges. After these colleges were established in all nine provinces, their funding was transferred to provincial government.

The 1998/99 budget for this programme also included a grant of R200 million to develop financial management and build capacity in

provincial education departments. In 1999/00, this grant increases to R211 million and is reflected in the *Systems and planning* programme of the Department. It will be paid until 2001/02.

The programmes of the Department are as follows:

- ◆ *Administration* refers to the overall management of the Department and includes the offices of the Minister, Deputy Minister and Director-General.
- ◆ *Systems and planning* provides educational policy support services to the Department.
- ◆ *General and further education and training* promotes the development, implementation, monitoring and maintenance of national policy, systems and programmes for general and further education and training.
- ◆ *Higher education* refers to the planning, development, co-ordination and management of the higher education system.
- ◆ *Auxiliary and associated services* provides services including human resource management, communication, motor transport and support to provincial education departments on labour provisioning.

Table 16.2 Economic classification of expenditure

R million	Expenditure outcomes			Preliminary outcome 1998/99	Medium term expenditure estimates		
	1995/96	1996/97	1997/98		1999/00	2000/01	2001/02
Current							
Personnel expenditure ¹	23,8	38,4	44,6	57,1	87,7	94,3	100,5
Other current expenditure	28,1	57,5	83,1	107,3	72,3	75,7	77,7
Transfer payments	3 605,8	4 769,9	5 243,0	6 210,3	6 634,1	7 075,7	7 526,5
Capital							
Transfer payments	507,2	450,8	599,9	320,3	231,0	225,3	219,8
Acquisition of capital assets	0,1	2,8	4,2	3,2	3,1	3,1	3,1
Total	4 165,0	5 319,4	5 974,8	6 699,2	7 028,2	7 474,1	7 927,6

¹ Departmental personnel expenditure includes employer's contributions to pension funds at a rate of 17 per cent of basic salary in 1998/99 and 15 per cent of basic salary in subsequent years.

OUTPUTS AND SERVICE DELIVERY TRENDS

The budget of the national Department of Education addresses only education policy, development support, monitoring and evaluation of the education sector and funding for higher education. Provinces are funded for the implementation of the general and further education phases delivered through the school and college system. Hence the national Department's budget is only about 11 per cent of the total expenditure on education.

The public higher education sector consists of 21 universities and 15 technikons. In 1998/99, the Department spent R4 154 million on 368 329 students at universities and R1 549 million on 193 700 students at technikons. These student numbers include distance and contact learners.

Other conditional grants

The Department also administers conditional grants and agency payments that are either given directly to provinces for specific programmes or spent by the Department on programmes to develop provincial capacity. In 1998/99, R264 million in grants was administered as follows:

- ◆ Youth colleges, R57 million.
- ◆ National School Building Programme, R73 million.
- ◆ Reducing classroom backlogs, R51 million.
- ◆ European Union grant for Eastern Cape schools, R42 million.
- ◆ European Union grant for the National Student Financial Aid Scheme (NSFAS), R40 million.

Textbook grant

The Department also received a R200 million conditional grant for textbooks and learner-support materials in schools. This grant was distributed to provinces via the education component of the equitable share formula, and supplements funds already allocated by provincial departments.

Table 16.3 Key activities and outputs

Programme	Key activities	Outputs
Administration	Management of the Department. The offices of the Minister, Deputy Minister and Director-General.	Efficient administration of the Department. Representivity, diversity, and gender equity.
Systems and planning	Support to all branches of the Department. Division of the budget for universities and technikons. Division of state funds for the NSFAS. Monitoring of provincial education expenditure. Administration and evaluation of research output of universities and technikons for subsidy purposes.	Overall education policy. The budget and MTEF input to the Department of State Expenditure.
General and further education and training	Curriculum framework. Life skills and HIV/Aids education. Economic education project. Technology education project. Environmental education project. Students and youth in science, technology, maths and engineering. Nutrition education project. Victim empowerment programme. Teacher development. National technical examinations.	Curriculum 2005. Policy on learners with special education needs. Policy on language in education. Policy on early childhood development. Religious education policy. Quality assurance. Policy on general and further education and training. Policy on adult basic education and training.
Higher education	Research in higher education. Higher education study group. Evaluation of research. Collaboration with international organisations in higher education. Accreditation of programmes. Higher education management support. Registrar of private higher education institutions. Evaluation and monitoring of norms and standards for teacher education.	Policy on higher education. Quality assurance of higher education programmes, including programmes in colleges of education.
Auxiliary and associated services	Human resource management in the education sector. Human resource development within the Department.	Development of affordable conditions of service for educators. Appropriate career development and training within the Department.

Table 16.4 Allocations to universities and technikons and enrolment numbers

Institution	1998/99 Allocations (R million)	1999/00 Allocations (R million)	1997 Enrolment	1998 Enrolment
Universities				
Cape Town	293	305	15 296	15 758
Durban-Westville	133	146	9 315	8 859
Fort Hare	89	101	4 376	3 490
Free State	187	193	9 509	9 787
Medunsa	96	162	3 455	3 689
Natal	294	320	15 837	16 288
North West	75	89	6 537	^a
Port Elizabeth	86	112	5 643	7 430
Potchefstroom	156	176	9 963	14 342
Pretoria	518	539	25 183	25 576
Rand Afrikaans	198	221	23 199	22 011
Rhodes	82	89	4 679	5 047
Stellenbosch	275	299	15 662	15 822
The North	217	186	14 435	10 607
Transkei	101	110	6 687	5 656
South Africa (Unisa)	412	427	126 344	113 501
Venda	91	98	6 450	5 737
Vista	201	243	28 289	28 237
Western Cape	152	168	13 150	10 832
Witwatersrand	319	333	17 013	16 916
Zululand	92	101	7 307	5 537
Institutional Management Fund	57	0		
Redress	28	60		
Total	4 154	4 479	368 329	
Male			169 048	
Female			199 281	
Technikons				
Border	46	62	2 167	3 312
Cape	115	118	9 916	10 130
Eastern Cape	63	61	2 190	3 768
Free State	69	70	6 768	6 147
M L Sultan	98	127	9 363	9 800
Mangosutho	70	76	4 132	5 551
Natal	111	122	10 380	10 052
North West	45	42	3 080	3 910
Northern Gauteng	96	96	8 835	8 934
Peninsula	98	108	7 776	7 788
Port Elizabeth	91	94	8 538	8 646
Pretoria	177	224	16 977	21 442
South Africa	217	256	80 385	125 628
Vaal Triangle	97	138	11 510	13 519
Witwatersrand	154	147	11 683	11 683
Total	1 549	1 741	193 700	250 310
Male			113 046	138 089
Female			80 654	112 221

^a No figure available for North West University for 1998

POLICY DEVELOPMENTS

Policy choices

The MTEF process allows Government to implement policy choices in the education sector within a planning framework based on a three-year budget cycle. For example, the Department is emphasising technical and vocational education and training, and more resources are directed towards these sectors. The Department is also supporting provincial education departments to improve education management and teaching quality.

The Department has produced a considerable number of White Papers, Acts, regulations and policy papers, including detailed policy proposals on each phase of the education sector.

In terms of the National Qualifications Framework, the education and training sector can be divided into a general education band, a further education and training band and a higher education band. The first two bands include early childhood, school, technical, vocational and adult education. The latter includes universities, technikons and teacher education colleges. Other post-secondary colleges are to be formally absorbed into this band as well.

Life-long learning

To ensure quality education, the Department funds the South African Qualifications Authority (SAQA), a statutory body, and the National Institute for Life-Long Learning and Development (NILLD), a research and development facility within the Department. These bodies contribute to an integrated education system meeting the needs of all South Africans in a changing environment. Quality education within the framework of life-long learning is one of the cornerstones of education policy, allowing all South Africans to receive recognition for their educational pursuits, whether in a school, college, technikon or work-place.

SA Schools Act

The significant South African Schools Act of 1996 provides a framework for decentralisation of authority to school communities. In terms of the Act, the Minister has recently issued norms and standards for the funding of schools. These are designed to achieve greater equity between schools within a province, and to regulate the distribution of public subsidies to independent schools.

White Paper on Further Education and Training

South Africa lags behind developed countries in providing a diverse curriculum that promotes vocational training. This affects the country's international competitiveness. The Further Education and Training White Paper of 1998 and the Further Education and Training Act of 1998 address this important issue. The White Paper aims to increase the number of young people undergoing vocational training by creating an integrated further education and training (FET) system incorporating the higher grades of the school system, technical, youth and community colleges and training in industry.

Curriculum 2005

The Department of Education launched "Curriculum 2005" in 1997, with implementation in Grade 1 in January 1998. This redirects the focus of education from rote learning towards a more outcomes-based system. The policy is being implemented on a grade by grade basis, with all grades converting to the new curriculum by 2005. The introduction of the new curriculum has major cost implications for Government, as new learner-

support materials have to be developed and produced. In addition, all teachers are to be trained in facilitating interactive outcomes-based learning.

Labour relations

The Department of Education and the provincial education departments participate in the Education Labour Relations Council (ELRC). Educators in the colleges and schools are employed under the Employment of Educators Act of 1998. The conditions of service for educators are subject to negotiation in the ELRC. Personnel policy regarding remuneration, conditions of employment, qualification requirements, job descriptions, allocations of educators to schools, performance appraisal and professional development are important areas of policy research.

The financial and political implications of labour relations are significant. The provisions of the Labour Relations Act, the Employment of Educators Act, other labour legislation, the South African Schools Act, strong teacher unions and public opinion all affect labour relations. The school and college sector employs almost 400 000 people, by far the largest employer in the public sector. The 1996 three-year wage agreement has now been concluded, leaving a legacy of high unit costs and large-scale increases in employment. In November 1998, the Minister of Education signed a historic agreement with teacher unions on redeployment of educators and post-provisioning, or the establishment of posts for educators in provinces. This agreement aims at a more equitable distribution of teaching resources.

Other functions

The national Department is responsible for analysing, developing, planning and advocating policy for the education sector, including financial policy. The national Education Management Information System (EMIS) is important to this end. The Department also develops international relations in education and training, and is to establish and support the new National Commission for UNESCO.

Changes in MTEF projections

The MTEF estimates published in November 1998 provided Government with fewer resources than initially indicated. The national share of revenue was reduced by more than R500 million in 1999/00 and R2,2 billion in 2000/01. All national departments will therefore receive lower allocations than initially envisaged.

Excluding improvements in conditions of service and expenditure associated with taking over the Gauteng film library, the 1999/00 allocation is R251 million lower than indicated in the 1998 Budget Review. The 2000/01 allocation is R595 million lower. The bulk of this reduction comes off the conditional allocation to the Department for management and quality enhancement in provinces and the allocation to universities and technikons.

DISCUSSION OF PROGRAMMES

Programme 1: Administration

	Budget estimate	Adjusted appropriation 1998/99	Preliminary outcome	Medium term expenditure estimates		
				1999/00	2000/01	2001/02
R million						
1998 Budget	41,0	38,1	37,3	43,5	45,4	–
1999 Budget	–	–	–	52,3	57,6	60,9

Programme 2: Systems and planning

	Budget estimate	Adjusted appropriation 1998/99	Preliminary outcome	Medium term expenditure estimates		
				1999/00	2000/01	2001/02
R million						
1998 Budget	220,6	29,9	29,2	420,7	623,4	–
1999 Budget	–	–	–	233,5	296,2	308,2

Both the 1997 and 1998 Education MTEF Sectoral Reviews highlighted managerial inefficiencies and poor quality of learning and teaching in the classroom while recognising the massive backlogs in physical infrastructure. A conditional grant was initiated in the 1998/99 budget in the *Systems and planning* programme for the improvement of quality and management in provinces. The grant was initially for R1,2 billion over three years, but has been reduced to R1,1 billion and extended for another year. Some R200 million was budgeted for this grant in 1998/99, another R261 million in 1999/00, R272 million in 2000/01 and R283 million in 2001/02.

The grant allows the Department of Education to assist provinces in the following programmes:

- ◆ Education management development.
- ◆ Quality assurance capacity and systems.
- ◆ The culture of learning, teaching and service campaign (COLTS).
- ◆ Professional development of teachers for Curriculum 2005.
- ◆ Financial management.
- ◆ The district development project to strengthen and improve management.

Programme 3: General and further education and training

R million	Budget estimate	Adjusted appropriation 1998/99	Preliminary outcome	Medium term expenditure estimates		
				1999/00	2000/01	2001/02
1998 Budget	211,9	681,2	665,5	70,7	43,3	–
1999 Budget	–	–	–	109,4	82,0	85,0

This programme was added in 1997/98 and the bulk of its funding is spent on development support for provinces, youth and community colleges.

The national Department is responsible for the promotion, development, implementation, monitoring and maintenance of national policy systems and programmes for *General and further education and training*. In addition to policy support for these phases of education, the Department is also responsible for the development, piloting and evaluation of curricula and learning materials for:

- ◆ Early childhood and school education.
- ◆ Technical and vocational education and training for adults not attending school.
- ◆ Adult education and training.
- ◆ Learners with special learning needs.

Programme 4: Higher education

R million	Budget estimate	Adjusted appropriation 1998/99	Preliminary outcome	Medium term expenditure estimates		
				1999/00	2000/01	2001/02
1998 Budget	6 015,4	6 057,8	5 917,7	6 725,0	7 282,0	–
1999 Budget	–	–	–	6 621,5	7 026,0	7 460,4

The Department is responsible for the planning, development, co-ordination and management of the *Higher education* system, providing a framework for colleges, technikons and universities. It also offers management support to higher education institutions undergoing transformation. The Education White Paper, which led to the Higher Education Act of 1997, spells out a programme for the transformation of higher education. In terms of this policy, all higher education institutions will have to prepare three-year plans on which comprehensive national, regional and institutional rationalisation and development will be based. The policy will assist in redressing past inequalities and contribute to the reconstruction and development process.

Government is the principal funder of higher education through subsidies and conditional grants to universities and technikons as well as through the National Student Financial Aid Scheme (NSFAS).

In 1998 the Council on Higher Education (CHE) was established by the Department to support the policy process and manage quality assurance in the sector.

Funding framework for higher education

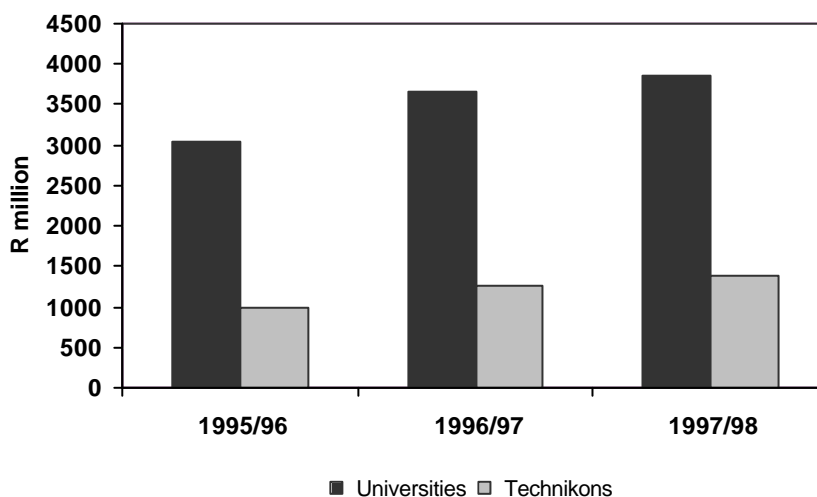
A new funding framework for higher education institutions is being phased in from 2000. The aims of the framework are to ensure that higher education institutions are:

- ◆ More accountable for the expenditure of public funds.
- ◆ More responsive to the interests and needs of society.
- ◆ Functioning on the basis of co-operation and partnership with the State and civil society.

The MTEF for higher education provides institutions with a sound funding platform for transformation. Government will subsidise a funding level of between 60 and 65 per cent of estimated operating costs. In addition, Government has allocated resources for new buildings, redress and management improvement. The new funding framework will be programme based and relate to national priorities and institutional plans.

The MTEF plans to expand the NSFAS. The scheme provides qualifying students from disadvantaged backgrounds with bursaries and loans. Once students graduate, they repay the loans according to their salaries. Therefore the scheme will become less reliant on Government finance, although the State will continue to be the major investor.

Figure 2.1 Funding to universities and technikons



Funding to universities increased from R3 050 million in 1995/96 to R3 849 million in 1997/98, an increase of 26 per cent over the three years. Funding to technikons increased from R991 million in 1995/96 to R1 378 million in 1997/98, an increase of 39 per cent. This is in line with Government’s policy to increase technological education and training.

If annual enrolment in higher education institutions continues to grow as rapidly as it has over the past three years (4,3 per cent at universities and 5,9 per cent at technikons), funding will be under pressure. Universities

and technikons will have to prioritise their programmes and courses to improve academic quality, increase throughput and make greater efficiency savings. They must also transform themselves to be more relevant to the social, academic, economic and intellectual role that they play in society. This is a demanding task, especially given students' deficits in learning skills and experience.

Student debt

Many higher education institutions have difficulty in collecting student fees. Government does not provide free tertiary education. The development of the NSFAS will facilitate a more stable financial framework for the higher education sector, but the onus is on students and their families to meet their financial obligations. For their part, institutional management must negotiate workable arrangements with the student bodies and apply them firmly and fairly. The Department is studying the causes and dimensions of student debt, as an aid to improved policy and management practice.

Programme 5: Auxiliary and associated services

Rmillion	Budget estimate	Adjusted appropriation 1998/99	Preliminary outcome	Medium term expenditure estimates		
				1999/00	2000/01	2001/02
1998 Budget	9,2	50,7	49,5	9,2	12,0	–
1999 Budget	–	–	–	11,5	12,3	13,1