

3

Education

■ Introduction

Education is a priority area for the South African government. Over the past five years government has further increased efforts to improve the state of education in the country. In 2010 the Department of Basic Education (DBE) released *Action Plan to 2014: Towards the Realisation of Schooling 2025*, a report outlining the priority areas that need to be addressed in this period. The plan's overall aim is to improve learner performance by overcoming the weaknesses in the education system. This is to be done particularly by improving access to education, providing safe buildings, providing learning and teaching materials promptly and by increasing educator numbers and improving their skills. Some of the achievements relating to the plan are discussed in this chapter.

There are many shortfalls in the system. These prevent the country from achieving its goals, and need to be addressed urgently. Some of the areas within education that require special attention include early childhood development (ECD) and Grade R expansion; educator training and development; timely provision of learning and teaching support materials (LTSM); and school infrastructure at all levels.

This chapter focuses on provincial education departments, which are responsible for implementation. It reviews the present educational landscape, budget and expenditure trends, service delivery achievements and the medium-term outlook.

Education is a priority area for the South African government

Current landscape

Spending

In 2013/14, South Africa spent R227 billion, 19.7 per cent of total government expenditure, on education, equivalent to 6.5 per cent of GDP. Spending on education is projected to decline to an average of 6.2 per cent of GDP over the 2014 MTEF period, and 19.1 per cent of total government expenditure over the same period. These ratios indicate that South Africa's spending on education compares favourably with other developing and middle-income countries. However outcomes do not compare favourably. To address poor outcomes, government has introduced interventions such as annual national assessments for grades 3, 6 and 9 to allow for early identification and correction of problems, literacy and numeracy workbooks, and expanded access to quality Grade R programmes.

Over the MTEF, the share of spending on primary and secondary education will decline in proportion to increases for higher education, ECD and further education and training

Table 3.1 illustrates the components of South African education and their allocated shares of funding for the period 2010/11 to 2016/17. Primary and secondary school education, administered by provinces, received the largest share of the total education budget (57.7 per cent) in 2013/14. However, this share is expected to decline in the first two years of the 2014 MTEF, as a higher proportion of funds is allocated to higher education and training, ECD and further education and training. Higher education and training's share has been consistently above 13 per cent, and increases to a projected 15.6 per cent in 2016/17, with more funds available for student loans and bursaries. Expenditure on higher education is projected to grow by an average annual rate of 6.5 per cent from 2014/15 to 2016/17 in line with the policy commitment to increase access to higher education, especially in science, engineering and technology, which support greater economic competitiveness. The prioritisation of ECD and Grade R is reflected in their rising share of expenditure over the medium-term.

Table 3.1 Education components and shares in South Africa, 2010/11 – 2016/17

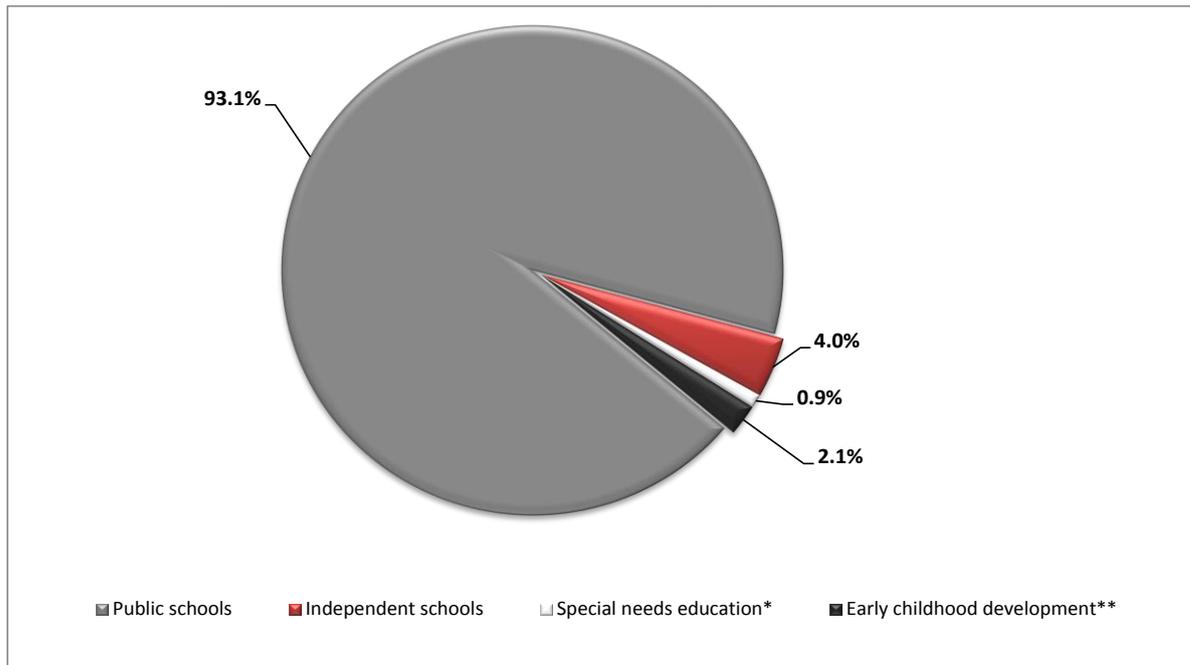
	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
R million	Outcome			Outcome	Medium-term estimates		
Education	170 743	197 763	212 634	226 873	242 694	261 645	267 532
<i>of which</i>							
Higher education and training	23 752	28 282	31 582	34 328	36 867	39 650	41 783
Primary and secondary school education	104 324	115 033	122 371	130 979	137 681	147 049	154 940
Further education and training	3 727	4 689	4 947	2 532	2 734	2 928	3 105
Adult basic education and training	1 223	1 413	1 536	1 578	1 714	1 780	1 881
Early childhood development	1 959	2 076	2 236	2 658	3 448	4 160	4 399
Percentage share of total education							
Higher education and training	13.9%	14.3%	14.9%	15.1%	15.2%	15.2%	15.6%
Primary and secondary school education	61.1%	58.2%	57.5%	57.7%	56.7%	56.2%	57.9%
Further education and training	2.2%	2.4%	2.3%	1.1%	1.1%	1.1%	1.2%
Adult basic education and training	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%
Early childhood development	1.1%	1.0%	1.1%	1.2%	1.4%	1.6%	1.6%
GDP (R billion)	2 750	2 982	3 198	3 465	3 790	4 151	4 553
Education total as % of GDP	6.2%	6.6%	6.6%	6.5%	6.4%	6.3%	5.9%

Source: National Treasury national and provincial database

Enrolment

There has been steady growth in learner enrolment at educational institutions over the period under review. Contributing to this growth is the improved accessibility of education through various new initiatives. Enrolment has risen at all levels, from grade R to tertiary. Increased enrolment at higher education institutions is predominantly the result of the increase in the Grade 12 completion rate coupled with the increased National Student Financial Aid Scheme (NSFAS) budget, giving more learners the opportunity to further their studies.

Figure 3.1 Percentage distribution of learners in the education system, 2013



Source: *School Realities 2013, Department of Basic Education*

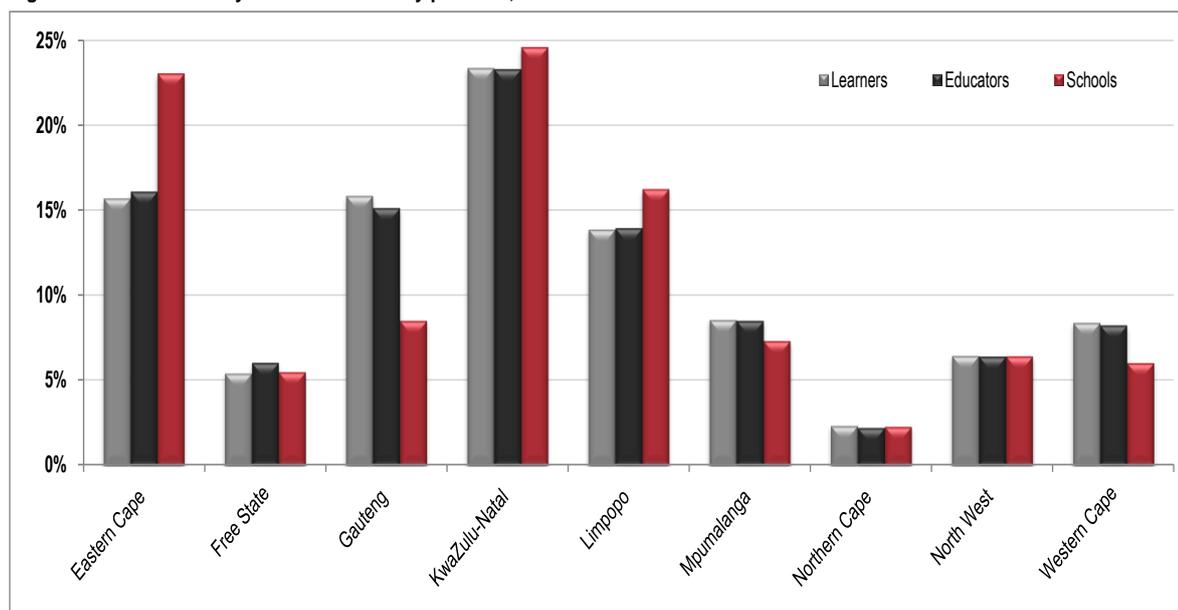
* 2012 *Special Needs Education, SNAP Surveys*

**2012 *Early Childhood Development Annual Surveys*

Public schools

Public school enrolments have been steadily rising over the past five years. In 2013 there were 11 975 844 learners enrolled in 24 136 public ordinary schools, being taught by 391 829 educators. There was an average of 496 learners per school. Gauteng and the Western Cape, which are primarily urban provinces, had the highest learner:school ratios with 924 and 690 respectively. The learner:school ratios for mostly rural provinces such as Eastern Cape (338) and Limpopo (424) were lower, mainly due to the higher number of smaller schools in these provinces.

The average number of learners to educators was 31. This includes educators employed by the state as well as those employed by school governing bodies (SGBs). If educators employed by SGBs are excluded from the calculation, the average learner:educator ratio increases to 37:1 in the Western Cape and 36:1 in Gauteng. This indicates that there is a significant number of educators at schools employed by SGBs and their inclusion in the system has a noteworthy impact on the learner:educator ratio.

Figure 3.2 Public ordinary school statistics by province, 2013


Source: School Realities 2013, Department of Basic Education

Figure 3.2 indicates the percentage distribution of learners, educators and schools by province. The largest proportions of South Africa's learners (23.4 per cent), educators (23.3 per cent) and schools (24.6 per cent) are in KwaZulu-Natal. The smallest proportions of learners (2.3 per cent), educators (2.2 per cent) and schools (2.3 per cent) are in the Northern Cape.

Independent schools

The South African Schools Act (1996) recognises two categories of school: public and independent. Public schools are state controlled and independent schools are privately governed.

In South Africa in 2013 there were 1 584 independent schools with 513 804 learners being taught by 33 194 educators. 37.4 per cent of these schools are in Gauteng which also has the highest number of learners (229 984) and educators (15 466). The learner:educator ratios at independent schools are considerably lower than at public schools ranging from 11:1 in the Western Cape to 22:1 in Limpopo. The smaller classes are made possible by the relatively high school fees from which teacher salaries at independent schools that typically do not receive a government subsidy are paid. In these schools, all school related costs, such as learner and teacher support materials and maintenance of infrastructure, are borne by parents and sometimes private sponsors. A more recent phenomenon is the low fee independent school. These charge considerably lower school fees and receive a state subsidy related to the school fees charged (see textbox below for additional information).

Independent Schools:

In South Africa the terms independent and private schools are used interchangeably when describing a non-public school. The South African Schools Act (SASA) of 1996 recognises only two categories of schools, public and independent, with private schools included in the latter category.

There has been significant expansion in independent schooling in South Africa. According to the DBE, enrolment in independent schools has increased significantly in relation to public school enrolments, and the number of independent schools has grown over the years. There is a clear trend, not only amongst the wealthy, towards independent schooling, with more and more parents seeking quality education for their children and believing that there are better opportunities in private than public schools. Numerous low-fee independent schools now cater to poorer families which want better futures for their children. However, most of these schools are not registered and do not receive a government subsidy. They rely on fees and private donations. Generally fees at these schools are below R7 500 per annum, with some schools charging as little as R2 500 per annum.

Independent schools do not receive as large a subsidy as public schools and rely more heavily on school fees and private funds and investments. Additionally, government subsidies only apply to registered, non-profit independent schools, and not all these schools qualify. The subsidy received by qualifying schools is based on their fee level, and schools charging a lower fee receive a higher subsidy. The subsidy, however, is never more than 60 per cent of the equivalent cost of government schooling. Independent schools that charge a fee equivalent to about 50 per cent of the provincial average cost per public school learner receive the highest subsidy (60 per cent of the provincial average cost per learner) while those charging higher than 2.5 times the provincial public school average receive no subsidy.

The biggest cost for independent schools is educator salaries, which can range between 60 and 90 per cent of total costs. Contrary to popular belief, not all private school teachers are paid higher salaries than public school teachers. Public school educator salaries include medical aid and pension contributions as well as housing subsidies. As at 2013 the entry-level public school teacher's salary was R185 184 per annum and can reach R419 085 depending on educational attainment and experience. Whilst high-fee independent schools can match and even exceed state salary levels, many lower-fee independent schools cannot afford such costs resulting in lower salaries for teachers.

Further education and training colleges

The main purpose of these colleges is to train young school leavers, providing them with skills and knowledge for employment. Training is primarily in the mid-level skills required to develop the South African economy, and tends to concentrate on engineering, construction, tourism and hospitality, general business and management studies. In 2002, 152 technical colleges were merged into 50 larger multi-campus institutions and renamed further education and training (FET) colleges. They have subsequently been renamed technical and vocational education and training (TVET) colleges, better reflecting their nature and defining their main role in the diversified post-school education and training system. In 2013 the 50 TVET colleges had over 260 campuses. In terms of the 2012 Further Education and Training Colleges Amendment Act these colleges are the responsibility of the Department of Higher Education and Training (DHET) and are now primarily accountable to national government rather than to the provinces.

Bursaries are made available to deserving poor students through the NSFAS. These bursaries are to expand enrolment in further education and training colleges, ensuring that South Africa produces the mid-level skills to support an emerging economy. In the period 2010/11 to 2012/13, there were 1 353 256 student enrolments at FET colleges. Approximately 2.3 million students are expected to enrol in these colleges over the next three years. The DHET plans to nearly double enrolment, to one million, by 2015/16, with additional funding from the National Skills Fund.

Budget and expenditure trends

Education constitutes the largest single component of provincial spending, averaging 42 per cent from 2010/11 to 2013/14.

Table 3.2 indicates provincial expenditure on education by province from 2010/11 to 2016/17. Expenditure increased by R38.1 billion from R138.3 billion in 2010/11 to R176.4 billion in 2013/14, an average annual increase of 8.5 per cent. The increase is mainly due to additional allocations for the occupation-specific dispensation for educators and higher-than-anticipated wage agreements. Over the years, there were also additional allocations for extending the national school nutrition programme to cover the poorest 60 per cent of primary and secondary schools, as well as for expanding Grade R and for infrastructure, including building new schools and funding maintenance.

The budget for provincial education is expected to grow by R26.2 billion from 2013/14 to 2016/17 at an average annual rate of 4.7 per cent, largely due to government's commitment to creating the right working environment for quality teaching to improve learner performance.

Table 3.2 Provincial expenditure¹ on education by province, 2010/11 – 2016/17

	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
R million	Outcome			Outcome	Medium-term estimates		
Eastern Cape	22 577	25 174	26 221	27 451	27 935	29 756	29 675
Free State	8 461	9 715	10 503	10 917	11 259	12 125	11 896
Gauteng	22 251	26 120	28 317	30 362	32 845	36 361	37 444
KwaZulu-Natal	28 747	33 799	35 588	37 560	39 447	42 573	42 882
Limpopo	20 202	21 161	21 924	23 388	24 966	25 590	26 349
Mpumalanga	11 598	13 024	14 356	14 933	16 103	17 469	17 929
Northern Cape	3 419	4 078	4 234	4 559	4 744	5 043	4 943
North West	9 102	10 148	10 736	11 756	12 423	13 511	13 516
Western Cape	11 956	13 361	14 288	15 502	16 425	17 677	18 019
Total	138 313	156 581	166 166	176 427	186 147	200 105	202 651
Percentage growth (average annual)	2010/11 – 2013/14			2013/14 – 2016/17			
Eastern Cape	6.7%			2.6%			
Free State	8.9%			2.9%			
Gauteng	10.9%			7.2%			
KwaZulu-Natal	9.3%			4.5%			
Limpopo	5.0%			4.1%			
Mpumalanga	8.8%			6.3%			
Northern Cape	10.1%			2.7%			
North West	8.9%			4.8%			
Western Cape	9.0%			5.1%			
Total	8.5%			4.7%			

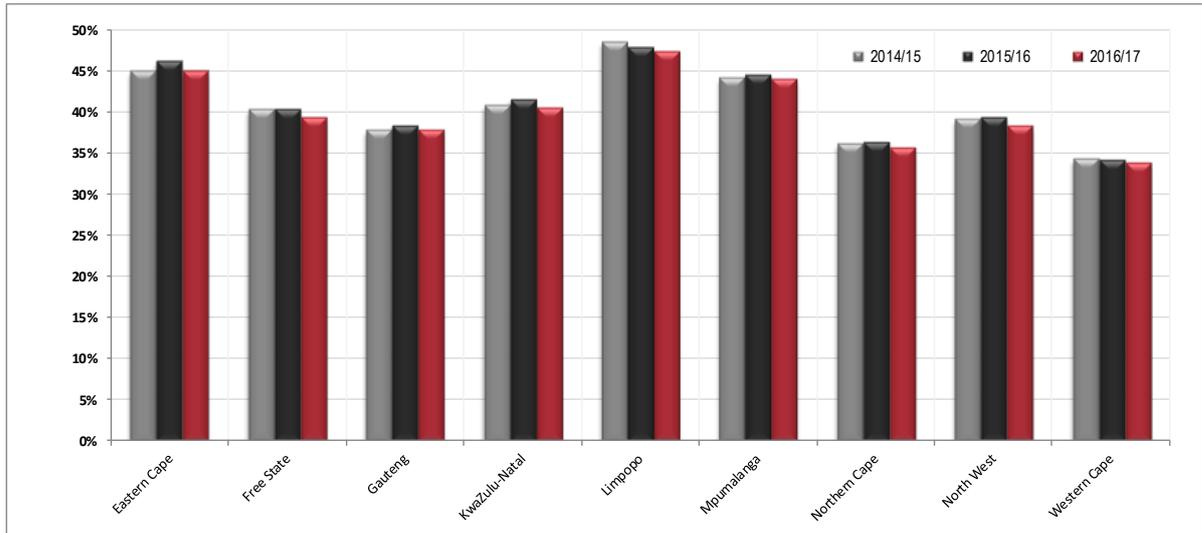
1. Includes national school nutrition programme.

Source: National Treasury provincial database

Education's share of provincial budgets decreased slightly from 41.8 per cent in 2010/11 to 41.5 per cent in 2013/14. It is projected to decrease further to 40.5 per cent in 2016/17 mainly due to increased investment in health, housing and transport infrastructure. However, there is growing evidence that efficiency gains are possible in the sector. Improved logistical arrangements for provision of textbooks and more

economical procurement of school meals can enable the same level of provision at lower cost.

Figure 3.3 Education expenditure as a percentage of total provincial expenditure by province, 2014/15 – 2016/17

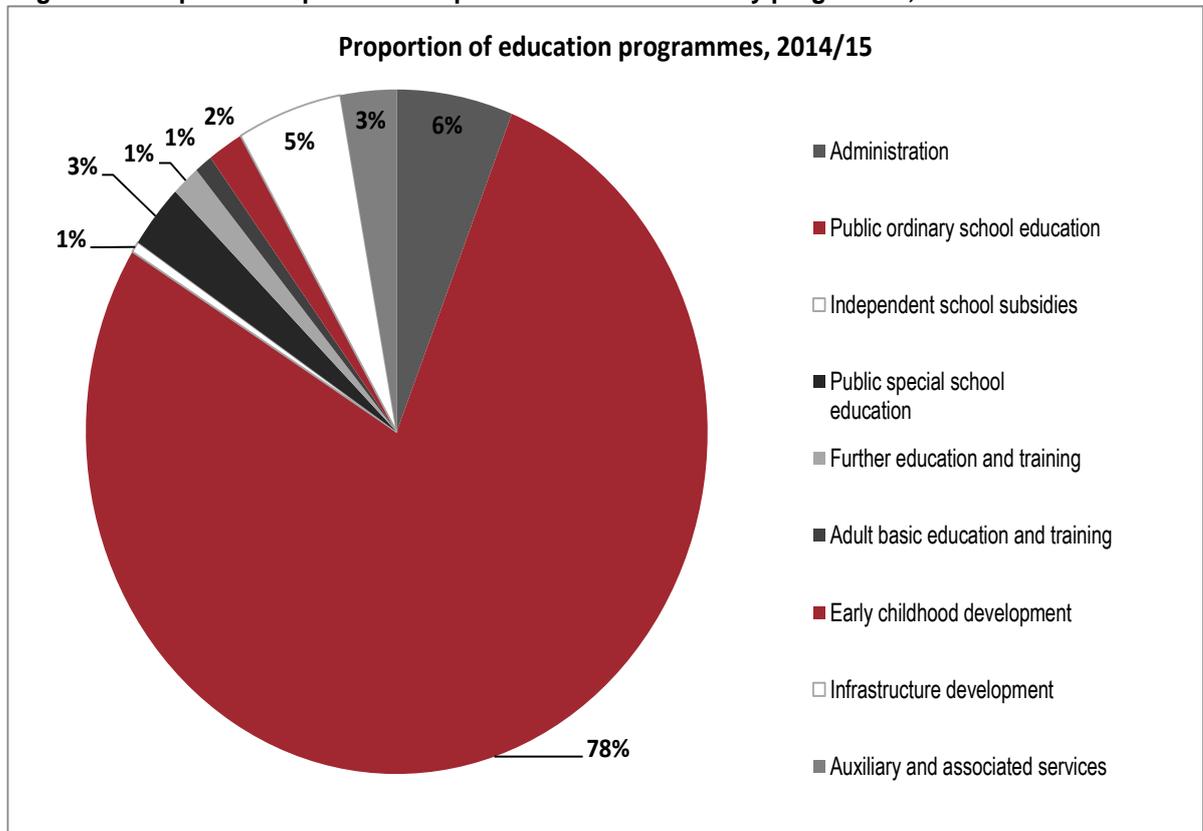


Source: National Treasury provincial database

Expenditure and budgets by programme

Figure 3.4 shows the proportions of provincial expenditure spent on education by programme for the 2014/15 financial year.

Figure 3.4 Proportion of provincial expenditure on education by programme, 2014/15

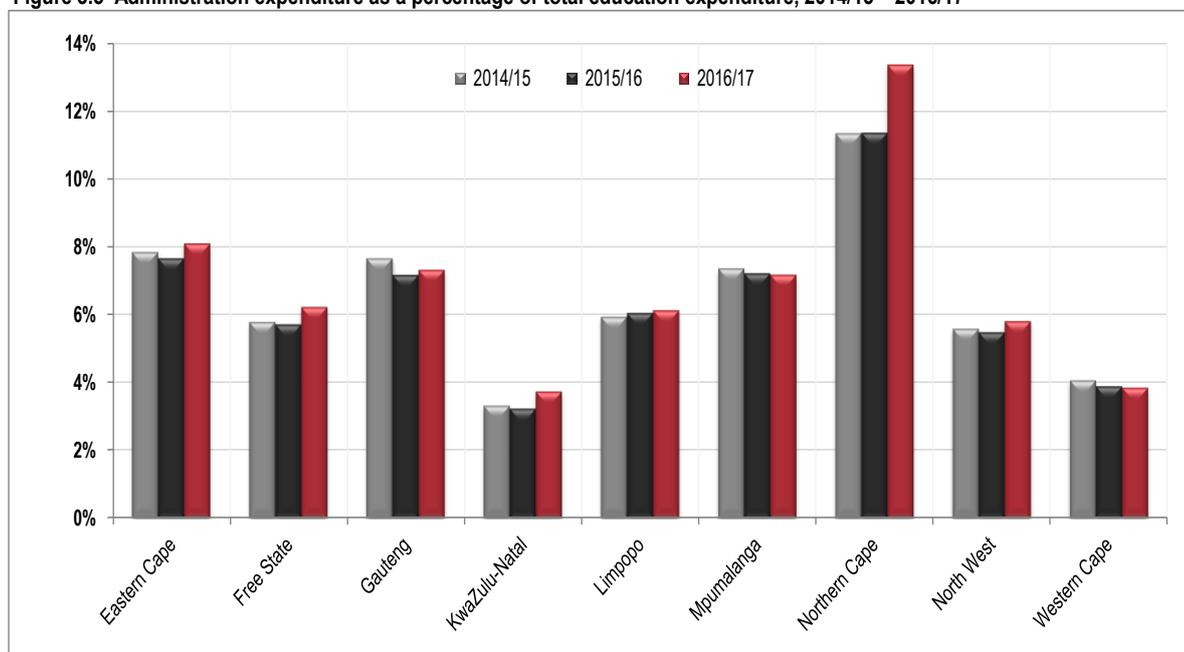


Source: National Treasury provincial database

Administration

Expenditure on administration as a percentage of total education expenditure has gradually declined from an average of 6.6 per cent across provinces in 2010/11 to an average of 6.2 per cent in 2013/14.

Figure 3.5 Administration expenditure as a percentage of total education expenditure, 2014/15 – 2016/17



Source: National Treasury provincial database

The decline is expected to continue from 2014/15 to 2015/16 and increase slightly in 2016/17. This trend suggests that provincial departments are putting more emphasis on service delivery, but there is wide disparity between provinces. This can be attributed to inconsistent allocation practices. For example not all provinces include Education Management Information System (EMIS) funding in this programme. Gauteng spent 8.3 per cent of its education budget on the administration programme in 2013/14, projected to decrease to 7.3 per cent by 2016/17 whereas the Northern Cape spent 11.4 per cent of its education budget on this programme in 2013/14, projected to increase to 13.4 per cent in 2016/17.

Public ordinary school education

The largest proportion of the provincial education budget is spent on the public ordinary school education programme. This consists of public primary and secondary schools, including the per learner allocations to schools. The cost of public ordinary school education is expected to grow by 5.8 per cent over the 2014 MTEF, reaching R163 billion by 2016/17. This can be attributed to the growing number of learners in this sector, necessitating increased expenditure on items such as teacher salaries, reflected as compensation of employees, and LTSM.

Public special schools

The number of public special schools in the country increased from 416 in 2007 to 444 in 2012. Learners attending special schools increased from 102 057 to 111 598. Spending on the public special school education programme increased by an average of 9.7 per cent per annum between

2010/11 and 2013/14. Over the medium term, growth is projected to continue at an estimated average annual rate of 6.2 per cent. Much of this can be attributed to the prioritisation of learners with special needs and the provision of transport to these learners.

Further education and training

As previously indicated, responsibility for the TVET colleges (formerly FET colleges) shifted from provincial education departments to the DHET in 2009, but these colleges are still funded from provincial budgets and are the responsibility of provincial programme structures until the function is completely transferred to the national department (see textbox on the next page for additional information).

Expenditure on the FET colleges programme declined from R3.7 billion in 2010/11 to R2.5 billion in 2013/14, at an average annual rate of 12.1 per cent. The decline is mainly due to a reduced allocation in the 2013 MTEF for the *Further Education and Training Colleges* conditional grant, with the college subsidy portion being removed from the conditional grant and made directly to colleges by the national department. Expenditure is projected to grow at an average annual rate of 7 per cent over the next three years, reaching R3.1 billion in 2016/17. For higher enrolment to be meaningful poor learner performance at these colleges, where the throughput rate has remained at between 10 and 20 per cent for the past three years, will have to be addressed.

For increased enrolment in further education and training to be meaningful, poor learner performance must be addressed

Table 3.3 Further education and training colleges expenditure by province, 2010/11 – 2016/17

	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
R million	Outcome			Outcome	Medium-term estimates		
Eastern Cape	476	682	689	293	320	342	361
Free State	219	327	308	181	185	198	209
Gauteng	785	1 113	1 132	674	726	777	820
KwaZulu-Natal	702	833	870	289	351	376	397
Limpopo	442	501	545	389	405	433	457
Mpumalanga	329	393	461	241	243	260	291
Northern Cape	52	65	78	41	44	47	49
North West	274	239	266	71	82	88	93
Western Cape	447	535	598	353	378	405	427
Total	3 727	4 689	4 947	2 532	2 734	2 928	3 105
Percentage growth (average annual)	2010/11 – 2013/14			2013/14 – 2016/17			
Eastern Cape	-14.9%			7.2%			
Free State	-6.2%			5.0%			
Gauteng	-5.0%			6.8%			
KwaZulu-Natal	-25.7%			11.2%			
Limpopo	-4.2%			5.5%			
Mpumalanga	-9.9%			6.4%			
Northern Cape	-8.0%			6.6%			
North West	-36.1%			9.3%			
Western Cape	-7.6%			6.6%			
Total	-12.1%			7.0%			

Source: National Treasury provincial database

Adult education and training

The adult education and training (AET) function shifted from provincial education departments to the national DHET in 2009, but continues to form part of provincial budgets and programme structures until the function has been fully shifted to the DHET (see textbox below for additional information).

There are two components to the Adult Basic Education and Training programme. The first is Basic Adult Literacy, under which basic literacy and numeracy is taught to adults. Kha ri Gude is a national mass literacy programme, funded through the DBE, which was rolled out in 2008/09, largely replacing the basic literacy programmes formerly run by provincial departments. The second component, Adult Education and Training, is for adults who wish to upgrade their qualifications.

With less than 1 per cent, the AET programme receives the smallest percentage of the total provincial education budget (see Table 3.1). Spending on AET has increased somewhat since 2010 and reached R1.6 billion by 2013/14. There is an estimated annual growth of 6 per cent in the AET budget over the medium-term.

Further Education and Training and Adult Education and Training functions shift from provincial education departments to the national Department of Higher Education and Training

Early in 2009, the President of South Africa established two new departments, the DBE and the DHET. The first Council of Education Ministers of the new administration requested that the Minister of Higher Education and Training take over the functions of FET Colleges and AET centres.

Amendments to the 2006 Further Education and Training Colleges Act and the repeal of the 2000 Adult Education and Training Act have moved responsibility for FET to the Minister of Higher Education and Training and have converted AET Centres into Community Colleges. A permanent function shift will be introduced by amending Schedule 4 of the Constitution to make school education a concurrent function, with all other post school education and training an exclusive national competence. Protocols in terms of the 2005 Inter-Governmental Relations Framework Act have been signed between the Minister of Higher Education and Training and provincial MECs for education and the Director-General (DG) of DHET as well as provincial education heads of department.

Steps were taken to ensure that the funding allocated by provincial education departments in respect of these two functions is maintained to ensure continued service delivery in this sector. Programme 5 budgets for FET colleges in provincial education departments were converted into a conditional grant in the 2010/11 financial year so that funds can be protected. Again in 2013/14 the major portion of the funds flowing to colleges was made into a direct transfer from the DHET to colleges. The secondment of provincial FET unit personnel to the DHET by way of intergovernmental protocols has taken place as has the setting up of inter-governmental structures to manage the migration process. They are fully operational.

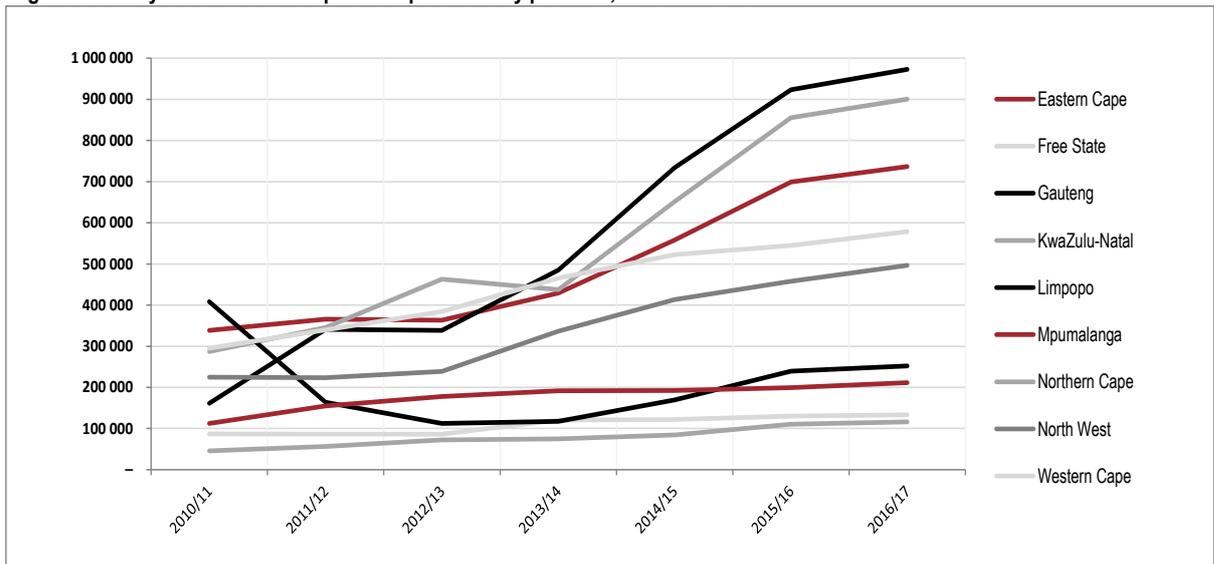
It is expected that these functions will shift on 1 April 2015 inclusive of budgets, personnel and all other necessities to ensure continued service delivery.

Early childhood development and Grade R

The education sector set a target of universal Grade R enrolment by 2014 and although this has not yet been achieved there has been significant improvement over the years, with enrolment increasing from 544 000 in 2009 to 779 000 in 2014. South Africa is close to reaching its target of universalisation of Grade R and spending on this programme continues to grow over the medium term at a projected annual rate of 18.3 per cent, reaching over R4 billion by 2016/17. The growth rate in most provinces will be less between 2013/14 and 2015/16 than between 2010/11 and 2013/14. Only three provinces experience comparatively higher growth

over the current MTEF. Nevertheless, this still far exceeds inflation and reflects a commitment to expanding access to Grade R.

Figure 3.6 Early childhood development expenditure by province, 2010/11 – 2016/17



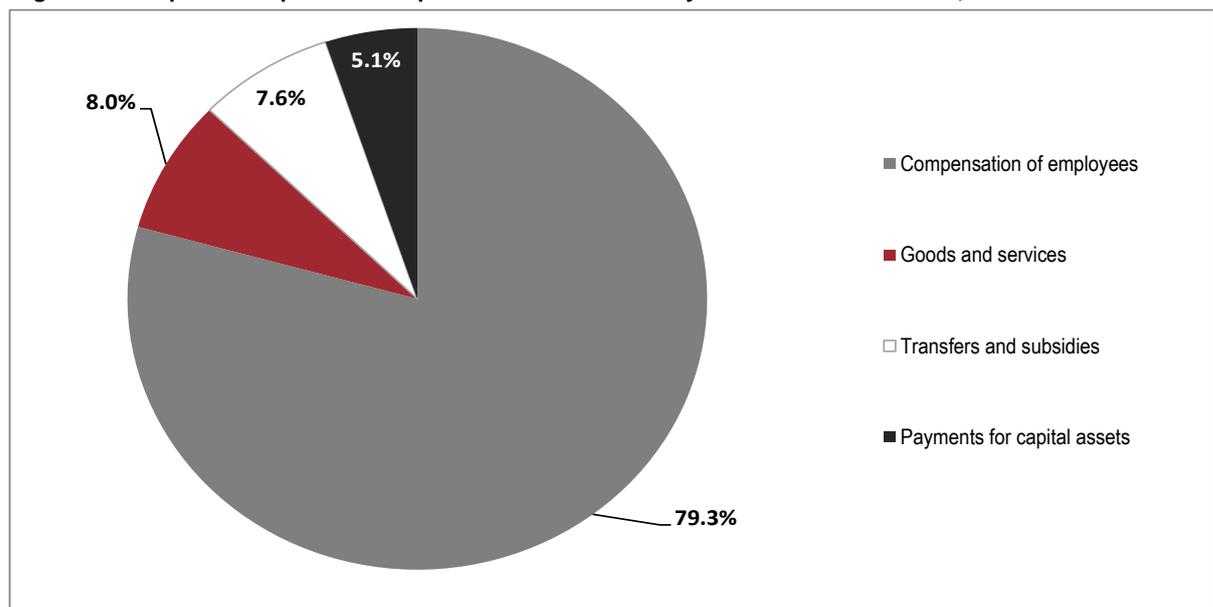
Source: National Treasury provincial database

Limpopo has seen considerable expansion in spending, increasing from negative growth to the strongest growth of any province, at 28.9 per cent over the medium-term. At 19.8 per cent the Eastern Cape’s growth is significantly higher over the medium-term than the low growth of 8.2 per cent between 2010/11 and 2013/14.

Expenditure and budgets by economic classification

Figure 3.7 shows proportions of provincial expenditure on education by economic classification for the 2014/15 financial year.

Figure 3.7 Proportion of provincial expenditure on education by economic classification, 2014/15



Source: National Treasury provincial database

Compensation of employees

Compensation of employees (CoE) is the main cost driver of provincial education budgets. It is projected to increase as a proportion of total expenditure from 79.4 per cent in 2010/11 to 82.3 per cent in 2016/17.

Table 3.4 Provincial education expenditure on compensation of employees by province, 2010/11 – 2016/17

	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
R million	Outcome			Outcome	Medium-term estimates		
Eastern Cape	18 857	20 344	21 077	22 058	22 535	23 758	25 050
Free State	6 782	7 529	8 120	8 719	9 442	10 079	10 751
Gauteng	17 355	19 370	21 040	22 893	24 703	27 291	28 801
KwaZulu-Natal	22 609	26 639	27 977	30 339	31 974	34 009	35 954
Limpopo	15 908	17 291	18 255	19 434	20 406	21 416	22 454
Mpumalanga	9 252	10 235	11 042	11 754	12 733	13 523	14 336
Northern Cape	2 721	2 951	3 167	3 499	3 723	3 930	4 126
North West	7 083	7 781	8 450	9 160	9 629	10 379	11 111
Western Cape	9 193	9 998	10 742	11 567	12 438	13 471	14 246
Total	109 761	122 140	129 870	139 422	147 583	157 857	166 831
Percentage growth (average annual)	2010/11 – 2013/14		2013/14 – 2014/15		2013/14 – 2016/17		
Eastern Cape	5.4%		4.7%		4.3%		
Free State	8.7%		7.4%		7.2%		
Gauteng	9.7%		8.8%		8.0%		
KwaZulu-Natal	10.3%		8.4%		5.8%		
Limpopo	6.9%		6.5%		4.9%		
Mpumalanga	8.3%		6.4%		6.8%		
Northern Cape	8.7%		10.5%		5.6%		
North West	8.9%		8.4%		6.6%		
Western Cape	8.0%		7.7%		7.2%		
Total	8.3%		7.4%		6.2%		

Source: National Treasury provincial database

CoE is highest in the public ordinary schools programme where the majority of educators are located. Spending on this item is expected to increase to at least R166.8 billion over the medium term, at an average annual growth rate of 6.2 per cent.

Growth in spending on CoE over the 2014 MTEF is projected to be low relative to the average annual growth of 8.3 per cent between 2010/11 and 2013/14. Given the size of the employee compensation budget, provinces need to improve their management of human resources. This is necessary to ensure that provinces can afford the number of people employed, that they have personnel who meet skills requirements, and that personnel are placed where they are needed. It also means that provinces need to resolve the lingering issue of “double parking” where excess teachers continue to be employed where they are not required.

Goods and services

The main items under goods and services in education are learner and teacher support materials such as text books, stationery and equipment for sport, the National School Nutrition Programme (NSNP), teacher development programmes and learner transport costs (further discussed

under Policy Development and Medium-term Outlook). Expenditure on goods and services grows at an average annual rate of 4.4 per cent over the MTEF period, which is 2.5 percentage points lower than the growth rate between 2010/11 and 2013/14. The higher growth before 2013/14 indicates the provision of additional resources to schools at that stage.

Provincial departments will, however, need to address inefficiencies in the goods and services system, including late payment of suppliers and late delivery of materials. The practice of deliberately spending less on goods and services in order to divert funds to offset over-expenditure on CoE should also be eliminated.

Late payment of suppliers and late delivery of materials must be addressed

Transfers and subsidies

Transfers and subsidies declined by 5.2 per cent in 2013/14. There is growth in expenditure on this item over the MTEF period, albeit at 4.1 per cent compared to 7.2 per cent between 2010/11 and 2013/14. This is mainly because subsidies to FET colleges are transferred by the DHET, which directly controls this function. The slight increase in transfers and subsidies is mainly due to quintile 3 schools becoming no-fee schools and the equalisation of funding to these schools. From 2014 the per learner allocation for no-fee schools will be R1 059 for quintiles 1-3 and it has been estimated that, nationally, 60 per cent of public ordinary school learners would be in no-fee schools from 2014.

Payments for capital assets

Expenditure on capital assets increased by R3.5 billion, from R5.5 billion in 2010/11 to R9 billion in 2013/14. From 2015/16 the *Education Infrastructure* grant (EIG) will be performance based. In terms of the new approach, provinces are required to bid for their infrastructure grant allocations in terms of the requirements of the infrastructure delivery management system (IDMS). School infrastructure plans over the medium-term include eradicating backlogs, expanding Grade R facilities, upgrading special schools and prioritising maintenance. The backlogs include unsafe school buildings, and those that do not have water, sanitation or electricity. About R8 billion has been made available over the MTEF period through the *School Infrastructure Backlogs* grant, an indirect grant from the budget of the national department.

■ Service delivery achievements

Grade 12 performance

The overall matriculation pass rate has been on the rise since 2011 reaching 78.2 per cent in 2013. There has been an increase in the number of passes, from 109 697 in 2009 to 171 755 in 2013. After a decline in 2010, the percentage of learners who obtained a bachelor's pass, which qualifies them to enrol at a university, grew steadily and reached 30.6 per cent by 2013. This increase indicates that South Africa has managed to meet goal 4 of Action Plan 2014 which is "to increase the number of grade 12 learners who are eligible for a bachelor's programme at a university". This in turn helps reduce the skills shortage in the country and contributes towards improved economic growth.

Annual National Assessments

South African learners have performed very poorly in international benchmark assessments such as the Progress in International Reading Literacy Study, Trends in International Mathematics and Science Study, and Southern and Eastern Africa Consortium for Monitoring Education Quality. These assessments in languages and mathematics were conducted on a selection of grade 4-6 learners. The annual national assessments conducted in 2013 tested all grade 1-6 and grade 9 learners in literacy/languages and numeracy/mathematics.

The average score for language increases from 51 per cent in grade 3 to 59 per cent in grade 6 home language. For grade 6 first additional language the average score is 46 per cent. The average score for grade 9 home language is 43 per cent, and for first additional language 33 per cent. There is a very low score of 14 per cent for grade 9 mathematics.

Significant resources are required to improve literacy and numeracy outcomes

Overall, these results suggest that the education sector needs to invest significant resources in improving literacy and numeracy outcomes. The annual national assessments provide an opportunity to ensure that interventions are directed at the appropriate areas. Interventions can be targeted to support specific schools or classes.

National school nutrition programme

The NSNP promotes better-quality education for the poorest learners by providing them with meals to improve their nutrition and ensure better attendance and performance. The programme caters for all learners in quintiles 1, 2 and 3 in primary and secondary schools across the country, as well as learners in identified special schools. In addition the grant promotes the development of school food gardens. Schools are provided with resources and information for gardening enabling them to become self-sufficient in providing meals to learners. Workshops are held to provide information regarding food safety and preparation, hygiene and nutrition. The grant is also used to supply schools with the necessary equipment, such as cooking utensils and gardening tools, required to sustain the feeding of all learners in the programme. As at the end of 2013/14 the programme provided nutritious meals to approximately 9.2 million learners. During 2013/14 the conditional grant for the NSNP increased to R5.2 billion. It will increase further by 2016/17, reaching R6 billion.

■ Policy development and medium-term outlook

School infrastructure

Numerous learners attend classes in unsuitable buildings such as mud schools. In addition there are still too many schools without clean running water, proper sanitation facilities or electricity. These shortfalls can lead to poor learner attendance and performance and also involve potential health risks. Educator attendance and the quality of education may also suffer as a result of poor school infrastructure.

Over the next three years R34.3 billion has been allocated to two conditional grants for expenditure on school infrastructure. The EIG receives an allocation of R26.4 billion, while the *School Infrastructure Backlogs* grant is allocated R8 billion over the MTEF. The programme to eradicate infrastructure backlogs is the Accelerated School Infrastructure Delivery Initiative (ASIDI). This aims to replace 510 inappropriate school structures, provide water and sanitation to 1 861 schools and electricity to 916 schools by 2015. The January 2014 ASIDI brief indicates that a total of 49 schools have been built and 76 are currently under construction. Two hundred and twenty-six schools have been provided with sanitation, 232 have been provided with water and 150 have been electrified.

Over the next 3 years R34.3 billion has been allocated to two conditional grants for expenditure on school infrastructure

Teacher training

Educators have a significant impact on education quality. They develop learner skills and knowledge thus contributing to the economy in the future. The training and development of educators has thus been and will continue to be a government priority. A priority goal of government's Action Plan 2014 is to "develop and continually improve the skills and subject knowledge of educators". The DBE and provincial departments of education also seek to encourage more students to enter the teaching profession.

In 2013/14, R894 million was spent on the Funza Lushaka teacher bursary programme, which provided bursaries to 14 512 students. Approximately 3 262 of these will enter the teaching profession in 2014, with an additional 13 500 bursaries to be awarded to prospective teachers in 2014/15. This programme focuses in particular on training teachers in the crucial areas of literacy, numeracy and science. Given the importance of this programme, the DBE expects to award a further 39 000 bursaries over the medium-term at a cost of R3 billion.

Learner transport

Lack of transport is a major obstacle in terms of access to education. Many learners have to walk long distances to reach their nearest schools while others depend on sometimes unreliable and even unsafe public transport. Learners who use public transport may also have to contend with costs which many may not be able to afford. At present, provincial education and transport departments are responsible for the provision of learner transport.

Further efficiencies can be realised in learner transport if departments work together to eliminate inconsistency of services

The partnership between the two departments has encountered numerous problems. One issue is inconsistency in provision, mainly due to lack of co-ordination between the provincial education and transport departments. Other challenges include inconsistency in the compensation of operators between provinces; limited funding; lack of mechanisms to ensure that the most vulnerable and dependent learners are targeted; and safety issues.

The national Department of Transport is in the process of formulating a national learner transport policy that will provide a standard, uniform framework for the transport of learners around the country. The policy will target all learners, from ECD to grade 12, who live more than 5km away from the nearest school. Provincial education departments will continue to play a role in learner transport, however. These departments should collaborate in developing a national school transport policy that addresses the needs of qualifying learners in all provinces.

Learner and teacher support materials

Support materials are crucial for learning and teaching. Expenditure in this category increased at an average annual rate of 15.6 per cent from R2.6 billion in 2010/11 to R3.9 billion in 2013/14, and is expected to grow by 7.8 per cent to R4.8 billion from 2013/14 to 2016/17. Considering the positive impact that these support materials can make on learning outcomes and that these resources can be redistributive if more are directed to poorer schools, the trend is encouraging. This significant growth should ensure that provinces and schools can meet their need for textbooks, stationery and other essential materials. Support materials are especially useful in schools where teachers are not sufficiently skilled or lack the necessary content knowledge. The provision of quality support materials, essential to the implementation of the Curriculum and Assessment Policy Statement (CAPS), is expected to have a positive impact on education outcomes, particularly in poorer schools.

Recognised as a priority goal in Action Plan 2014, government has made considerable progress towards ensuring that all learners have access to the necessary textbooks and workbooks. Since the implementation of CAPS, new textbooks and workbooks aligned with this policy have had to be developed and distributed. During the review period there were some delays and/or non-delivery to several schools. This hindered teaching and learning at these schools with a negative impact on learner performance. Following these setbacks, government addressed the inefficiencies in the system, recognising the need to ensure that such issues would not recur. A Basic Education Sector Plan was developed and implemented in 2013 with the aim of ensuring timely delivery of the correct quality and quantity of learner and teacher support materials to all schools at the lowest overall cost. Provision of textbooks, workbooks and other support material has been prioritised by government; hence expenditure on this has been steadily increasing and will continue to do so over the coming years.

Conclusion

Government is committed to improving the quality of basic education. One element of this is providing an environment conducive to learning and teaching, which the *School Infrastructure Backlogs* conditional grant attempts to address.

Increased investment over the years has contributed towards improvement in the state of education. This investment has helped meet the goal of universal access to and improved quality of education.

Another element in government's commitment to quality education has been providing access to a quality Grade R programme for all five-year olds by 2014. Provinces will need to improve their ability to plan and manage the expansion of the Grade R programme; many provinces have been unable to spend the additional resources provided for this function in the past. But expansion to include all qualifying learners is necessary in improving the overall quality of education, as are efforts to improve literacy and numeracy at foundation and intermediate levels. At the heart of such interventions is the ability of education district offices to convey the intervention message to school managers and teachers, and to help them with implementation.

Above all, it is the commitment of teachers that will ensure the success of the education system: to arrive at school on time, every school day; to be prepared for each day's lessons; and to be in their classes, teaching. If the system can ensure this, better basic education and effective expenditure will be within reach.

Above all, it is the commitment of teachers that will ensure improvements in the education system

Over the next three years, expenditure will continue to grow in real terms, but at a slower rate than in the recent past. Reduced spending over the next two years will affect national, provincial and local government. While this will involve difficult choices, pro-poor expenditure in areas such as education, health and social services will be protected. The reductions, while substantial, are small relative to total government spending. Improvements in service delivery will come through efficiency gains and reducing waste.

While reduced spending will require difficult choices, pro-poor spending will be protected

