

Education

Introduction

Internationally, public education expenditure is the key tool for enabling citizens to participate in, and contribute to, a modern economy. It takes up a large proportion of many countries' gross domestic product (GDP). For the large sample of countries reported on in the World Bank education statistics data system, spending on education as a proportion of GDP ranged from an average of 2,2 per cent to an average of 8,0 per cent for the period 1995 to 2003. An average of 5,8 per cent was reported for South Africa, where spending as a proportion of GDP has always been high relative to comparable countries. South Africa has experienced continued real increases in education spending in recent years. In spite of this, spending on education as a proportion of GDP and total provincial expenditure has declined. Spending in other sectors, specifically social development and health, has outpaced growth in education expenditure.

The main feature of the school education system over the last two decades has been the massive rise in enrolment figures, with public school enrolment increasing from 5,4 million in 1975 to 8,1 million in 1985 and 12,0 million in 1997. Since 1997, numbers have stabilised because of slower population growth and a policy which discourages out-of-age enrolment. In 2004, enrolment was estimated at just under 12,0 million. This immense expansion has resulted in very high rates of access to both primary and secondary schools in South Africa relative to comparable developing countries like Brazil and Argentina.

While improved access has been a notable achievement, the quality of outputs remains a concern. South Africa's performance has been consistently weak in standardised international tests such as the Third International Mathematics and Science Study-Repeat (TIMSS-R) and the UNESCO/UNICEF Monitoring Learning Achievement project, which monitors basic numeracy, literacy and life skills.

The number of learners enrolled in public schools grew from 8,1 million in 1985 to an estimated 12,0 million in 2004

South Africa's performance has been consistently weak in standardised international tests

Education outcomes need to improve

A major ongoing challenge in education is how to strike the balance between the need for increased spending and the need for increased efficiencies in the system to improve education outcomes.

This chapter:

- provides a short overview of the education landscape
- reviews the key provincial expenditure trends for the period 2001/02 to 2004/05 and for budgeted expenditure for the period 2005/06 to 2007/08, and
- reviews briefly selected aspects of public school education outputs and quality.

The South African education landscape

South Africa's formal education system is made up of three bands

The formal education system in South Africa comprises three bands. The general education and training (GET) band consists of learners from the reception year (grade R) up to grade 9, as well as an equivalent adult basic education and training (ABET) component. The further education and training (FET) band consists of all education and training from the national qualification framework (NQF) levels 2 to 4 (equivalent to grades 10 to 12 in schools) and the national technical certificates 1 to 3 in FET colleges. The higher education (HE) band consists of a range of certificates, diplomas, and degrees, including post-graduate degrees. These levels are integrated within the NQF, which was established through the South African Qualifications Authority (SAQA) Act (1995).

By mid-2003, the South African public education system had more than 11,7 million school learners in 25 840 primary, secondary, combined and intermediate schools, with 339 179 educators. There were 230 052 technikon students and 487 741 university students. By mid-2002 there were 406 144 FET college students.

The national Department of Education sets policy and norms and standards, while provinces are responsible for delivery

Education is a concurrent function of national and provincial government in terms of the Constitution, except for higher education, which is the exclusive responsibility of the national sphere. The national Department of Education is responsible for formulating overall education policy, and setting norms and standards for all levels of education provisioning. It is also responsible for monitoring and supporting education provisioning. Provincial education departments are responsible for the funding and delivery of public school education and for further education and training.

There are an estimated 12 million public school learners

Higher education follows on the further education and training band in education and spans levels 5 to 8 of the national qualifications framework. Studies in higher education lead to diplomas, degrees, professional qualifications and higher degrees in 22 fields of specialisation, ranging from agriculture and renewable resources to social sciences and social studies. The higher education sector presently consists of 29 institutions. This number will be reduced to 21 once the sector has been fully restructured. During 2004/05, the funding of higher education (including the National Student Financial Aid Scheme) amounted to R9,9 billion. This is set to increase over the

2005 MTEF to reach R12,1 billion in 2007/08. A new funding framework for higher education institutions was implemented in April 2005, with an increased focus on the number of graduates and research outputs.

Table 2.1 shows that in 2002 (the latest year for which the Department of Education has published a consistent set of data covering learners, educators and schools by province) there were approximately 11,6 million public school learners. This number dwarfs independent school enrolment of fewer than 300 000 in the same year, indicated in table 2.2. Preliminary results from the 2004 SNAP Survey, conducted on the tenth school day of the first term, point to an increase in public school learner numbers to close to 12 million by 2004.

Table 2.1 Number of learners, educators, schools, and classrooms in public ordinary schools by province, 2002

	Number				Ratio	
	Learners	Educators	Schools	Classes ¹	Learner : Educator	Learner : School
Eastern Cape	2 064 927	64 974	6 150	54 633	32	336
Free State	693 213	21 947	2 281	15 682	32	304
Gauteng	1 482 253	44 651	1 915	35 726	33	774
KwaZulu-Natal	2 680 993	71 624	5 560	61 317	37	482
Limpopo	1 816 200	55 155	4 561	39 231	33	398
Mpumalanga	903 789	24 870	1 856	19 027	36	487
Northern Cape	194 062	6 334	459	5 166	31	423
North West	887 649	29 451	2 247	23 234	30	395
Western Cape	915 270	25 225	1 460	22 504	36	627
Total	11 638 356	344 231	26 489	276 520	34	439
Percentage of national total						
Eastern Cape	17,7%	18,9%	23,2%	19,8%		
Free State	6,0%	6,4%	8,6%	5,7%		
Gauteng	12,7%	13,0%	7,2%	12,9%		
KwaZulu-Natal	23,0%	20,8%	21,0%	22,2%		
Limpopo	15,6%	16,0%	17,2%	14,2%		
Mpumalanga	7,8%	7,2%	7,0%	6,9%		
Northern Cape	1,7%	1,8%	1,7%	1,9%		
North West	7,6%	8,6%	8,5%	8,4%		
Western Cape	7,9%	7,3%	5,5%	8,1%		
Total	100,0%	100,0%	100,0%	100,0%		

1. Source for classes: 2002 Annual School Survey. Less than 50 per cent of schools completed the question on classrooms/instruction rooms. The best indication of classrooms are possible via a question on the number of classes in each grade.

Source: National Department of Education

Table 2.1 further shows that three provinces, KwaZulu-Natal, Eastern Cape and Limpopo, accommodated more than 50 per cent of learners, educators and schools. Learner:educator ratios also show that there has been significant progress in reducing high ratios in poorer provinces. These ratios vary significantly, from 30:1 in North West to 37:1 in KwaZulu-Natal, and no longer only reflect patterns of historical provincial disadvantage. School sizes also differ significantly between provinces, with large school sizes in Gauteng and Western Cape mostly reflecting advanced urbanisation and a high concentration of people in these provinces.

There has been progress in reducing high learner:educator ratios and school sizes in poorer provinces

Table 2.2 Number of learners, educators and schools in the independent school sector by province, 2002

	Number			Ratio	
	Learners	Educators	Schools	Learner : Educator	Learner : School
Eastern Cape	7 127	381	41	19	174
Free State	12 155	570	62	21	196
Gauteng	134 764	7 950	416	17	324
KwaZulu-Natal	48 841	2 876	162	17	301
Limpopo	22 879	1 108	202	21	113
Mpumalanga	10 564	271	78	39	135
Northern Cape	2 669	150	17	18	157
North West	9 693	584	45	17	215
Western Cape	29 969	2 034	135	15	222
Total	278 661	15 924	1 158	17	241
Percentage of national total					
Eastern Cape	2,6%	2,4%	3,5%		
Free State	4,4%	3,6%	5,4%		
Gauteng	48,4%	49,9%	35,9%		
KwaZulu-Natal	17,5%	18,1%	14,0%		
Limpopo	8,2%	7,0%	17,4%		
Mpumalanga	3,8%	1,7%	6,7%		
Northern Cape	1,0%	0,9%	1,5%		
North West	3,5%	3,7%	3,9%		
Western Cape	10,8%	12,8%	11,7%		
Total	100,0%	100,0%	100,0%		

Source: National Department of Education

Table 2.3 Numbers of full-time equivalent and head count students and institutions in the public further education and training sector by province

Number	Pre April 2002			2003
	FTE	Head counts	Former technical colleges	New FET colleges
Eastern Cape	13 489	34 854	26	8
Free State	9 792	24 291	11	4
Gauteng	47 161	135 227	33	8
KwaZulu-Natal	22 744	65 073	24	9
Limpopo	13 100	37 072	14	7
Mpumalanga	7 655	24 067	10	3
Northern Cape	3 129	8 581	6	2
North West	9 382	31 057	11	3
Western Cape	17 461	45 922	17	6
Total	143 913	406 144	152	50

Source: National Department of Education

In 2002, 406 144 part-time and full-time students were enrolled at FET colleges across the country

Further education and training colleges make up the second biggest component of provincial education. In 2002, 152 technical colleges were merged into 50 FET colleges. The enrolment of full-time equivalents (the number of full-time students plus the full-time equivalent of part-time students) stood at 143 913 in 2002 in these colleges, with a total head count (full-time and part-time combined) of 406 144. In 2003, there was a total enrolment of 142 243 full-time equivalent students. KwaZulu-Natal, Gauteng and Eastern Cape

together account for 50 per cent of the 50 public FET institutions. Provinces with the fewest colleges are Northern Cape, Mpumalanga and North West. Gauteng and KwaZulu-Natal accounted for over 45 per cent of full-time equivalents, whereas Northern Cape and Mpumalanga accounted for less than 10 per cent. Between 2000 and 2002, the number of full-time equivalents in FET colleges grew by approximately 4 per cent.

Provincial expenditure trends and inputs

Table 2.4 Provincial education expenditure¹, 2001/02 to 2007/08

	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08
		Outcome		Preliminary outcome	Medium-term estimates		
R million							
Eastern Cape	7 948	9 268	10 308	10 717	11 251	12 687	13 879
Free State	3 201	3 551	4 087	4 348	4 872	5 202	5 521
Gauteng	7 314	8 129	9 539	9 834	10 360	11 269	11 776
KwaZulu-Natal	9 288	10 432	12 022	13 001	14 506	15 984	17 457
Limpopo	6 740	7 450	8 264	9 611	9 869	10 697	11 430
Mpumalanga	3 363	3 922	4 529	4 869	5 737	6 126	6 616
Northern Cape	1 031	1 181	1 305	1 396	1 534	1 606	1 700
North West	3 996	4 416	4 896	5 179	5 833	6 198	6 580
Western Cape ²	4 393	4 802	5 305	5 701	6 260	6 769	7 243
Total	47 274	53 151	60 255	64 656	70 223	76 538	82 202
Percentage of total provincial spending							
Eastern Cape	40,6%	37,5%	34,7%	34,6%	33,1%	33,8%	33,8%
Free State	38,9%	36,7%	35,7%	33,8%	33,5%	33,1%	32,6%
Gauteng	36,0%	33,2%	33,7%	32,5%	31,0%	30,6%	29,6%
KwaZulu-Natal	37,0%	36,1%	35,2%	33,5%	31,8%	32,0%	32,1%
Limpopo	43,0%	39,7%	38,1%	38,5%	35,3%	35,3%	34,9%
Mpumalanga	39,9%	40,1%	39,2%	37,1%	38,1%	37,1%	36,7%
Northern Cape	34,7%	34,0%	31,4%	31,3%	30,4%	28,7%	28,2%
North West	40,4%	38,3%	36,6%	34,4%	33,4%	32,3%	31,7%
Western Cape	35,1%	33,1%	32,4%	31,2%	30,3%	30,2%	30,5%
Total	38,5%	36,5%	35,3%	34,2%	32,8%	32,7%	32,4%
Percentage growth (average annual)		2001/02 – 2004/05			2003/04 – 2006/07		
Eastern Cape		10,5%			9,0%		
Free State		10,7%			8,3%		
Gauteng		10,4%			6,2%		
KwaZulu-Natal		11,9%			10,3%		
Limpopo		12,6%			5,9%		
Mpumalanga		13,1%			10,8%		
Northern Cape		10,7%			6,8%		
North West		9,0%			8,3%		
Western Cape		9,1%			8,3%		
Total		11,0%			8,3%		

1. Includes National School Nutrition Programme.

2. Includes capital works in respect of education voted on public works.

Source: National Treasury provincial database

Education as a share of provincial expenditure declines as social development and health absorb more of provincial budgets

Despite the fact that education absorbs the largest portion of provincial expenditure, it has declined from 38,5 per cent of provincial expenditure in 2001/02 to 34,2 per cent in 2004/05. This is because spending in other sectors, especially social development, grew at a faster rate. Total provincial spending on education is projected to decline further to 32,4 per cent in 2007/08. However, with the recapitalisation of the FET college sector, the proportion of education spending will increase.

Substantial additional real resources have been made available to the education sector over the last three years

Provincial education spending has increased from R47,3 billion in 2001/02 to R64,7 billion in 2004/05, at an average annual rate of 11 per cent, or 4,2 per cent in real terms. All provinces shared in this real growth in education spending. Real growth exceeded 5 per cent per year in KwaZulu-Natal, Limpopo and Mpumalanga. Western Cape and North West recorded the lowest growth rate of 2,4 per cent per year in real terms.

There is continued growth in overall spending, albeit at a slower rate

Over the MTEF, continued growth in overall spending is projected at a rate of 8,3 per cent per year (or 3,2 per cent in real terms). All provinces experience real growth in spending over the MTEF but growth rates vary. In the last three years, growth slows especially in Gauteng (from 3,6 per cent in real terms to 1,2 per cent) and in Limpopo (from 5,7 per cent to 1,0 per cent). Growth accelerates somewhat in Eastern Cape while KwaZulu-Natal and Mpumalanga maintain real growth rates above 5 per cent per year. Part of this growth is additional allocations to educators over the MTEF to provide for improved performance related rewards and to retain scarce skills.

Personnel spending has continued to stabilise over the last three years

Table 2.5 shows the economic composition of education spending. Personnel spending (compensation of employees) has continued to stabilise over the last three years with slow growth of about 2,1 per cent per year in real terms. Given the growing real funding available (3,2 per cent in real terms), this has allowed for very rapid growth in goods and services (including essential complementary teaching inputs such as textbooks and stationery) and in capital spending. Capital spending has grown by nearly 30 per cent per year in real terms over the last three years, and spending on goods and services by 11,6 per cent per year.

Provinces show different patterns of education spending

Between 2001/02 and 2004/05, Mpumalanga, KwaZulu-Natal and Limpopo had the highest average annual growth rates in transfers and subsidies, of 101,9 per cent, 72,5 per cent and 65,2 per cent respectively. Northern Cape experienced the lowest average annual growth rates of 3,5 per cent and -2,9 per cent in nominal and real terms respectively.

Between 2001/02 and 2004/05, Northern Cape and Eastern Cape experienced the highest annual average nominal growth rates for payments for capital assets of 129,0 per cent and 113,4 per cent respectively. In terms of real growth rates on payments for capital assets, Northern Cape grew by 115,0 per cent while Eastern Cape grew by 100,4 per cent. Overall, KwaZulu-Natal had the lowest average annual nominal and real growth rates of 13,0 per cent and

6,1 per cent respectively. Across all provinces, growth in personnel expenditure was relatively stable.

Table 2.5 Provincial education expenditure by economic classification, 2001/02 to 2007/08

	2001/02	2002/03 Outcome	2003/04	2004/05 Preliminary outcome	2005/06	2006/07	2007/08
R million					Medium-term estimates		
Current payments	44 946	49 799	55 296	59 065	63 786	69 305	74 402
of which:							
Compensation of employees	41 577	45 524	49 591	53 441	57 460	61 536	65 708
Goods and services	3 349	4 271	5 702	5 619	6 319	7 761	8 687
Transfers and subsidies	1 363	1 804	2 694	3 044	3 564	3 750	3 892
Payments for capital assets	965	1 548	2 265	2 547	2 873	3 483	3 908
Total	47 274	53 151	60 255	64 656	70 223	76 538	82 202
Percentage change (average annual)	2001/02 – 2004/05			2004/05 – 2007/08			
Current payments	9,5%			8,0%			
of which:							
Compensation of employees	8,7%			7,1%			
Goods and services	18,8%			15,6%			
Transfers and subsidies	30,7%			8,5%			
Payments for capital assets	38,2%			15,3%			
Total	11,0%			8,3%			

Source: National Treasury provincial database

Personnel and capital expenditure

Over the next three years, personnel expenditure, the main cost driver in education, continues to grow in real terms. This is to allow for the introduction of improved pay progression, career pathing and incentives for scarce skills.

For 2004/05, compensation of employees averaged 82,7 per cent of total provincial education spending. This percentage is projected to decline as a proportion of spending over the MTEF and is expected to fall below 80 per cent in 2007/08.

Improved pay progression, career pathing and incentives for scarce skills are being introduced

Non-personnel non-capital expenditure

Apart from ensuring that appropriate numbers of educators are available in public schools and that there are enough school buildings to accommodate learners, quality learning and teaching in schools require adequate supplies of learner support materials, scholar transport, municipal services and other complementary inputs. For the period 2001/02 to 2003/04, while there has been a reduction in personnel to non-personnel expenditure across provinces, there has also been strong growth in provincial budgets. The net effect of this development has translated into relative growth in non-personnel non-capital expenditure. Despite strong growth in provincial education budgets and relative increases in learner numbers, there has been an increase in spending per learner in relation to non-personnel non-capital expenditure. Over this period, Northern Cape had the highest non-personnel non-capital spending per learner of more than

Quality learning and teaching in schools require adequate supplies of learner support materials

R500 per year, while KwaZulu-Natal had the lowest, of less than R300 per year. The growth in non-personnel non-capital spending per learner could be linked to the national norms and standards for school funding, that came into effect in January 2000, were implemented.

Spending by programme

The public ordinary schools programme absorbs the bulk of provincial education expenditure

Table 2.6 shows that the public ordinary schools programme absorbs the bulk of provincial education expenditure (84,4 per cent or R54,5 billion in 2004/05). This share has declined slightly since 2001/02 but remains stable over the MTEF. The relative importance of primary and secondary school spending also remains fairly constant. Next in relative importance are the much smaller administration, public special school education, further education and training colleges (FET colleges), adult basic education and training (ABET) and early childhood education (ECD) programmes.

ABET and ECD see significant real growth in spending

After having declined in real terms between 2001/02 and 2004/05, FET spending recovers over the medium term – a situation that will improve further once the R1,6 billion announced in the 2005 Budget for recapitalisation has been distributed to provinces. From a low base, there is very significant real growth in spending on ABET and ECD going forward (9,9 per cent and 10,6 per cent per annum, respectively). Administration spending continues to grow significantly over the medium term, from R4,5 billion in 2004/05 to R6,0 billion in 2007/08.

Across all provinces, there were modest increases in spending on the public ordinary schools programme between 2001/02 and 2004/05. However, Limpopo and North West had relatively higher annual average nominal growth rates of 12,4 per cent and 9,5 per cent respectively. Over the same period, Northern Cape had the lowest annual average nominal and real growth rates for public ordinary schools of 7,0 per cent and 0,4 per cent respectively.

In other programmes, the annual average growth rates grew significantly in early childhood and development (ECD), compared to other programmes for the period 2001/02 to 2004/05. Notable nominal growth rates of 117,0 per cent and 43,2 per cent were experienced in Eastern Cape and Free State respectively.

Growth in ABET spending is highest in Eastern Cape and Free State

Adult basic education and training (ABET) experienced significant average annual nominal growth rates of 59,5 per cent and 52,3 per cent in Northern Cape and Limpopo respectively. The lowest growth rate of -8,6 per cent was experienced in North West between 2001/02 and 2004/05. In most provinces, neither the FET colleges nor public special schools received substantial funding.

Table 2.6 Provincial education expenditure by programme, 2001/02 to 2007/08

	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08
	Outcome			Preliminary outcome	Medium-term estimates		
R million							
Administration	3 229	3 846	4 377	4 460	4 841	5 642	5 965
Public ordinary school education	39 987	44 915	50 650	54 540	58 960	63 778	68 694
<i>of which:</i>							
<i>Primary schools</i>	22 052	24 217	28 081	29 625	32 109	34 492	37 356
<i>Secondary schools</i>	17 011	19 394	20 922	23 099	24 793	26 997	28 863
<i>Other subprogrammes</i>	924	1 303	1 647	1 816	2 058	2 289	2 474
Independent school subsidies	187	228	266	286	321	347	373
Public special school education	1 356	1 419	1 566	1 831	1 886	2 092	2 220
Further education and training	1 153	1 085	1 171	1 308	1 574	1 640	1 734
Adult basic education and training	379	442	537	530	620	778	814
Early childhood development	263	307	377	409	511	576	639
Auxiliary and associated services	720	909	1 312	1 292	1 510	1 685	1 763
Total expenditure	47 274	53 151	60 255	64 656	70 223	76 538	82 202
Economic classification							
Current payments	44 946	49 799	55 296	59 065	63 786	69 305	74 402
<i>of which:</i>							
<i>Compensation of employees</i>	41 577	45 524	49 591	53 441	57 460	61 536	65 708
Transfers and subsidies	1 363	1 804	2 694	3 044	3 564	3 750	3 892
Payments for capital assets	965	1 548	2 265	2 547	2 873	3 483	3 908
Percentage of provincial education expenditure							
Administration	6,8%	7,2%	7,3%	6,9%	6,9%	7,4%	7,3%
Public ordinary school education	84,6%	84,5%	84,1%	84,4%	84,0%	83,3%	83,6%
<i>of which:</i>							
<i>Primary schools</i>	55,1%	53,9%	55,4%	54,3%	54,5%	54,1%	54,4%
<i>Secondary schools</i>	42,5%	43,2%	41,3%	42,4%	42,1%	42,3%	42,0%
<i>Other subprogrammes</i>	2,3%	2,9%	3,3%	3,3%	3,5%	3,6%	3,6%
Independent school subsidies	0,4%	0,4%	0,4%	0,4%	0,5%	0,5%	0,5%
Public special school education	2,9%	2,7%	2,6%	2,8%	2,7%	2,7%	2,7%
Further education and training	2,4%	2,0%	1,9%	2,0%	2,2%	2,1%	2,1%
Adult basic education and training	0,8%	0,8%	0,9%	0,8%	0,9%	1,0%	1,0%
Early childhood development	0,6%	0,6%	0,6%	0,6%	0,7%	0,8%	0,8%
Auxiliary and associated services	1,5%	1,7%	2,2%	2,0%	2,2%	2,2%	2,1%
Total expenditure	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%
Economic classification							
Current payments	95,1%	93,7%	91,8%	91,4%	90,8%	90,6%	90,5%
<i>of which:</i>							
<i>Compensation of employees</i>	92,5%	91,4%	89,7%	90,5%	90,1%	88,8%	88,3%
Transfers and subsidies	2,9%	3,4%	4,5%	4,7%	5,1%	4,9%	4,7%
Payments for capital assets	2,0%	2,9%	3,8%	3,9%	4,1%	4,6%	4,8%

Source: National Treasury provincial database

Education outputs and quality

Standardised international tests and systemic evaluation show that education outputs and quality are of a poor standard

Despite high relative levels of expenditure, improved equity and growing real allocations, the quality of service delivery remains a concern. This is especially so in the light of recent standardised international tests, which point to South Africa as a weak performer. In the past, consistent measures of output and quality have been limited to trends in matric results with little systematically organised information about other stages in the system. But progress is being made, partly because standardised international tests are available and the departments are carrying out initiatives like systemic evaluation. Further work is necessary in benchmarking outputs, performance and cost-efficiency of provinces and schools.

More learners need a good foundation to proceed to higher education and to enter the labour market

There are three clear trends in matriculation results over the last five years. Firstly, between 1999 and 2003, the numbers writing the exam declined from 511 474 to 440 267 before increasing somewhat to 467 985 in 2004. This could indicate improved efficiencies, as inappropriate enrolment for the exam is being limited. At the same time there is cause for concern, as there is a pressing need to increase the proportion of the age cohort with a good foundation education to proceed to higher education and to enter the labour market.

The matriculation pass rate has improved

Secondly, the matriculation pass rate has improved significantly since 1999, from below 50 per cent in 1997 to 73,2 per cent in 2003, before dropping slightly to 70,7 per cent in 2004. It seems clear that the increasing pass rate is due not only to falling numbers in those writing the exam, which could point to improved quality and reduced inefficiencies: actual numbers passing the exam have in fact increased, from 249 831 in 1999 to 330 717 in 2004.

Table 2.7 Number of matric passes and pass rate, 2003 and 2004

	2003		2004	
	Number	Percentage pass rate	Number	Percentage pass rate
Eastern Cape	37 468	60,0%	33 915	53,5%
Free State	18 916	80,0%	19 459	78,7%
Gauteng	55 621	81,5%	54 808	76,8%
KwaZulu-Natal	75 077	77,1%	81 830	74,0%
Limpopo	48 219	70,0%	54 897	70,6%
Mpumalanga	22 700	58,2%	22 913	61,8%
Northern Cape	5 667	90,7%	5 609	83,4%
North West	25 055	70,4%	24 221	64,9%
Western Cape	33 769	87,1%	33 065	85,0%
Total	322 492	73,2%	330 717	70,7%

Source: Report on the Senior Certificate Examination, (EMIS, National Department of Education)

The number of matriculants passing with endorsement is still very low

The third trend, which also suggests improving quality, is that the number of learners who passed with endorsement (exemption to enter university) increased by about 10 000 between 1999 and 2004. This has pushed the endorsement rate to above 18 per cent over the past two years, compared to 14,2 per cent in 2000. (See table 2.8.)

However, the number of learners passing with endorsement is still very low and needs to be addressed.

Table 2.8 Percentage of candidates who obtained university endorsement per province from 2000 to 2004

	2000	2001	2002	2003	2004
Eastern Cape	7,2%	6,5%	8,1%	9,5%	8,8%
Free State	12,5%	14,5%	18,8%	22,8%	22,2%
Gauteng	18,9%	21,3%	21,7%	23,3%	22,1%
KwaZulu-Natal	16,2%	16,8%	18,1%	20,5%	18,9%
Limpopo	11,7%	13,4%	17,5%	18,9%	20,9%
Mpumalanga	11,7%	9,6%	10,8%	12,4%	12,5%
Northern Cape	12,6%	14,7%	18,3%	19,6%	18,7%
North West	12,6%	14,4%	14,5%	15,3%	12,4%
Western Cape	24,4%	25,0%	26,5%	26,6%	27,1%
Total	14,2%	15,1%	17,1%	18,8%	18,2%

Source: Report on the Senior Certificate Examination, (EMIS, National Department of Education)

Trends in results for mathematics and science are also often seen as an indication of quality and responsiveness to the needs of the labour market. Tables 2.9 and 2.10 show that there is a small percentage of learners writing mathematics and physical science. However, the number of learners writing mathematics did increase from 258 352 in 2003 to 276 094 in 2004. The number of learners who wrote physical science increased from 151 808 in 2003 to 161 214 in 2004.

Only 8,7 per cent of learners writing mathematics passed it on the higher grade in 2004

Table 2.9 shows that of the nearly 60 per cent of matriculants (those who sat for six subjects or more) who took the mathematics exam, only 56,8 per cent passed in 2004. Of these, only 8,7 per cent passed on the higher grade.

Table 2.9 Number of matric learners and pass rates in mathematics, 2004

Province	Learners passing HG	Learners passing HG as % of those who wrote	Learners passing SG	Learners passing SG as % of those who wrote	Learners passing LG	Learners passing LG as % of those who wrote	Learners who wrote exam	% who wrote and passed
Eastern Cape	1 535	3,8%	15 511	38,8%	4 354	10,9%	39 958	53,6%
Free State	1 355	11,1%	6 592	54,0%	942	7,7%	12 206	72,8%
Gauteng	6 604	14,7%	19 793	44,2%	3 153	7,0%	44 821	65,9%
KwaZulu-Natal	5 356	7,1%	27 467	36,7%	6 587	8,8%	74 932	52,6%
Limpopo	2 046	5,2%	12 954	33,0%	2 710	6,9%	39 228	45,1%
Mpumalanga	1 283	6,6%	7 002	36,2%	1 576	8,2%	19 334	51,0%
Northern Cape	382	13,8%	1 632	59,0%	217	7,8%	2 767	80,6%
North West	1 314	6,3%	7 442	35,7%	1 849	8,9%	20 822	50,9%
Western Cape	4 268	19,4%	11 271	51,2%	1 600	7,3%	22 026	77,8%
Total	24 143	8,7%	109 664	39,7%	22 988	8,3%	276 094	56,8%

Source: Report on the Senior Certificate Examination, (EMIS, national Department of Education)

Table 2.10 shows that 16,7 per cent of the 161 214 learners who wrote physical science passed it on the higher grade.

Table 2.10 Number of matric learners and pass rates in physical science, 2004

Province	Learners passing HG	Learners passing HG as % of those who wrote	Learners passing SG	Learners passing SG as % of those who wrote	Learners passing LG	Learners passing LG as % of those who wrote	Learners who wrote exam	% who wrote and passed
Eastern Cape	1 487	6,2%	12 163	50,8%	4 222	17,6%	23 941	74,7%
Free State	1 681	21,2%	4 026	50,7%	818	10,3%	7 937	82,2%
Gauteng	6 889	24,0%	12 657	44,2%	3 002	10,5%	28 660	78,7%
KwaZulu-Natal	6 221	15,9%	17 878	45,8%	4 333	11,1%	39 051	72,8%
Limpopo	3 337	15,4%	8 713	40,1%	1 508	6,9%	21 733	62,4%
Mpumalanga	1 436	10,9%	5 672	43,1%	1 693	12,9%	13 159	66,9%
Northern Cape	386	23,9%	918	56,8%	120	7,4%	1 616	88,1%
North West	1 601	12,3%	5 947	45,8%	1 965	15,1%	12 993	73,2%
Western Cape	3 937	32,5%	5 969	49,2%	964	8,0%	12 124	89,7%
Total	26 975	16,7%	73 943	45,9%	18 625	11,6%	161 214	74,2%

Source: Report on the Senior Certificate Examination, (EMIS, national Department of Education)

Eastern Cape and Mpumalanga show alarmingly high matric failure rates

All provinces have shown improved pass rates in recent years and it seems that the number of schools performing very badly is declining. The pass rates, however, hide very high failure rates in some provinces. In Eastern Cape (more than 40 per cent failures) and in Mpumalanga (38 per cent failures) the situation is critical. More than one-quarter of students fail in KwaZulu-Natal, Limpopo and North West.

There is a strong focus on improving and monitoring literacy and numeracy in the early years of schooling

There is a strong focus on improving the outcomes of education, and monitoring these, in the early years of schooling. This applies especially to general literacy, and includes reading, writing and basic numeracy throughout the general education system. Systemic evaluations form part of this process of quality improvement and monitoring.

The first systemic evaluation was conducted at the foundation phase in 2003

The first systemic evaluation survey was conducted at the foundation phase (grade 3) in 2001/02 and reported on in 2003. The survey involved representative samples of learners and learning sites. Approximately 54 000 grade 3 learners (a 5 per cent sample) from a random sample of 1 400 mainstream schools and 564 from 53 special schools were tested in numeracy, literacy and life skills. The learners, teachers, principals, parents and district officials also completed questionnaires on contextual factors that could impact on teaching and learning.

The results of the systemic evaluation show poor numeracy and literacy skills of learners

The systemic evaluation reported on a range of indicators covering inputs, outputs, quality and perceptions of the education system. Outputs and performance seem remarkably consistent across provinces. The evaluation survey showed that the performance of learners in the administered tests varied significantly among the three learning programmes. The mean achievement scores were 30 per cent in numeracy and 54 per cent in each of literacy and life skills. The pattern of learner performance showed very little variation across the provinces. It was concluded that poor numeracy and literacy skills of learners in the system highlight the need for urgent intervention.

Another key finding of the evaluation survey was the level of repetition among grade 3 learners. Mpumalanga showed the highest rate of repetition, with 18,5 per cent of learners, and Gauteng the lowest, with 5,8 per cent. The repetition rates, though varied, are unacceptably high given the available resources.

The evaluation survey also showed that repetition rates are unacceptably high

A key reason given for poor performances was the lack of basic resources. It was found that available basic resources are critical for supporting learning both at school and at home. According to the survey, the distribution patterns of these resources tended to be in favour of the mainly urban provinces (Gauteng and Western Cape) compared to the typically rural provinces.

Basic resources are critical for supporting learning at school and at home

Similarly, learners who had exposure to early childhood development (ECD) programmes had higher learner test scores than those who had not been exposed to ECD programmes. It was also found that learners who took the tests in their mother tongue tended to score higher than those who took tests in a second language. The systemic evaluation survey for the intermediate phase (grade 6) was conducted in September 2004. The assessment report will be released in July 2005.

From 1 April 2004, the education sector has been responsible for the implementation of the national school nutrition programme, which previously fell under the Department of Health. The programme aims to alleviate short-term hunger, and improve active learning capacity and school attendance. In 2004/05, 4 659 571 learners were targeted. A total of 4 945 797 learners have been targeted in 2005/06, with the highest number of beneficiaries in KwaZulu-Natal (1 251 140) and the lowest number in Northern Cape (122 200).

Table 2.11 Comparison for the National school nutrition programme, 2004/05 and 2005/06

R million	2004/05 Number of beneficiaries		2005/06 Targeted	Growth rate	2004/05 Budget allocated R thousands		2005/06 Budget allocated R thousands	Growth rate
	Targeted	Reached	Targeted		Targeted	Reached	Targeted	
Eastern Cape	948 574	934 912	999 364	5,1%	177 259	194 288	8,8%	8,8%
Free State	164 852	234 534	246 857	33,2%	49 100	53 817	8,8%	8,8%
Gauteng	325 036	356 268	337 859	3,8%	75 730	83 006	8,8%	8,8%
KwaZulu-Natal	1 255 950	1 187 118	1 251 140	-0,4%	181 420	198 849	8,8%	8,8%
Limpopo	912 800	1 157 193	1 002 609	9,0%	153 125	167 836	8,8%	8,8%
Mpumalanga	491 362	492 687	492 687	0,3%	64 079	70 235	8,8%	8,8%
Northern Cape	111 284	119 925	122 200	8,9%	22 469	24 628	8,8%	8,8%
North West	300 678	338 440	336 464	10,6%	72 401	79 357	8,8%	8,8%
Western Cape	149 035	156 509	156 617	4,8%	36 617	40 135	8,8%	8,8%
Total	4 659 571	4 977 586	4 945 797	5,8%	832 200	912 151	8,8%	8,8%

Source: National Treasury provincial database

Conclusion

Although South Africa's spending on education as a percentage of GDP shows a slight downward trend from 6,8 per cent in 1995 to 5,2 per cent in 2001, the level is still above other countries at similar levels of development.

There is relative stability and growth in both provincial education expenditure and expenditure at programme level for the period 2001/02 to 2007/08. The uniform budget programme structure has made it easier to compare funding and inputs in education in the provinces. The key challenge in the provision of education is to improve the quality of education to achieve better outcomes. The tabling of the 2005 Budget included improved compensation of educators, specifically in relation to backlogs, salary progression and career pathing.

Recognising the extent to which the FET sector can contribute to developing and improving the skills base for the country, the Minister of Finance announced increased funding for recapitalising the FET sector. With increases from 2006/07 to 2008/09, there is clearly scope for revamping the sector so that it can play a critical role in improving the country's skills base, as well as in economic development. Public FET institutions need to devise programmes that will respond to the needs of the market and the country.

Another challenge is attaining equity in per learner funding for the different categories of learners across provinces. To address this, the department of education is working towards amending the national norms and standards for school funding. The norms and standards for funding ABET, grade R and FET should be finalised during 2005/06.