



SONA & the Budget: What's in Them for Education?

1. Introduction

In his 2015 State of the Nation (SONA) address, President Jacob Zuma spent very little time on basic education issues, but rather devoted a few minutes to the progress made on tackling school infrastructure backlogs. A bit more was said by Finance Minister Nhlanelahle Nene when he delivered his budget speech. The Minister allocated R640 billion to basic education over the next three years. Of this, R7.4 billion was set aside for the replacement of 510 unsafe or poorly constructed schools, and to provide water to 1120, sanitation to 741, and electricity to 916 schools. A further R29.6 billion has been allocated to the education infrastructure grant to help schools meet the new minimum norms and standards for school infrastructure. The 'Norms and Standards for Public School Infrastructure', published in 2013, state that by 2016 all schools built from mud, wood or asbestos must be replaced, and all schools without water, electricity or sanitation must be provided with these amenities by 2020.

It is worth noting from the beginning that the education budget allocation dropped from 16.79% of total spending to 16.69%. If the allocation had stayed the same as in 2014 there would have been R1.27 billion more in the education budget. When one considers that at the end of Minister Naledi Pandor's tenure as Minister of Education the allocation was 18.2% of total spend, the situation looks even worse.

Will the budget allocations be enough to ensure the minimum norms and standards targets are met by 2016? Will they be enough to ensure there is a teacher in every classroom, and to ensure quality education? What did the budget miss?

This briefing paper will attempt to provide some answers to these questions.

2. The School Infrastructure Challenge

The dire state of certain school infrastructure has been well documented and the Department of Basic Education has faced legal challenges to force it to commit to eradicating the school infrastructure backlog. The outcomes of such litigation resulted in the Department finally adopting the 'Norms and Standards for School Infrastructure' in 2013. These require all schools to have basic necessities such as properly constructed shelter (no mud schools), electricity, water and sanitation (no pit latrines). Furthermore, they make it compulsory for schools to have teaching and learning infrastructure such as libraries and laboratories, as well as sports facilities. The norms and standards go so far as to stipulate the appropriate size of classrooms: primary and secondary school classrooms must have at least 1.2m² of space for each child, and have no more than 40 pupils.

So who is responsible for providing the infrastructure?

Provinces are ultimately responsible for the budgeting and provisioning of school infrastructure. Funding for school infrastructure is available from various sources¹. These include:

- The Education Infrastructure Grant from national government.
- The School Infrastructure Backlogs Grant (more commonly known as ASIDI – Accelerated Schools Infrastructure

Delivery Initiative) from national government.

- The Provincial Equitable Share and provincial own revenues allocated to fund school infrastructure in the provincial budgets.

With all the available funding for school infrastructure, the expectation is that South Africa should not continue to be faced with a huge school infrastructure backlog, and yet we still have schools with pit latrines and buildings in abject condition.

According to the Centre for Child Law's Mud to Bricks report, the Department of Basic Education's poor capacity to efficiently manage the schools' infrastructure programme hampers its implementation. However, it is not only the inability of the Department to manage the programme, provincial departments also struggle to do so. In a recent presentation to the Portfolio Committee on Basic Education on ASIDI's progress, the Department indicated that the completion of a number of infrastructure projects in the provinces was hamstrung by issues with contractors, strikes in the steel industry, poor workmanship, approval of environmental impact assessments, and delays in appointing contractors². There is a need for a stronger coordinated programme delivery such as the Integrated Development Plan (IDP) model used by municipalities, especially when one considers that the Department of Public Works has to do the work while the budget is held by the Department of Basic Education. The IDP model has been used successfully and it could reduce the backlog in under five years.

The delays in completing the infrastructure projects have led to considerable underspending on the schools infrastructure budget. As a result, the combined schools backlog and education infrastructure grant has been reduced by R413.6 million³ over the Medium Term Expenditure Framework (MTEF) period, and the Treasury notes in its Budget Review that the growth in future allocations for school infrastructure will be much slower⁴.

All this means that, despite the generous R7.4 billion allocation (over three years), it will take far longer than the estimated timeframe to eradicate inappropriate school structures.

3. The Teacher Recruitment Challenge

The provision and retention of qualified teachers has always been a huge challenge, especially in the under 30 year old category. There has been a trend over the last few years of over-indebted teachers resigning or retiring early in order to cash in on their pensions⁵. But this is not the only reason why teachers are leaving the profession. In the 2012/13 financial year, 14 302 teachers left the profession due to ill health (394), death (1 859), retirement (5 417), resignation (6 272) and termination (360)⁶. To meet the challenge of replacing these numbers, the Department aims to increase the number of qualified teachers aged 30 and below entering the public service from 8 227 in 2012/13 to 10 200 in 2017/18. The DBE is also awarding 38 000 bursaries over the medium term at a cost of R3.1 billion, including Funza Lushaka bursaries in specific subject areas such as mathematics and science⁷ where there are shortages. Despite all this, the biggest teacher union, SADTU, in its response to the budget states that this will be insufficient to meet the shortfall given that the attrition is about 14 000 per annum.

4. Higher Education

The sector will receive more than R195 billion⁸ over the medium term to provide access to tertiary education, build skills and broaden economic opportunities. This amount includes R3.2 billion to build the University of Mpumalanga in Nelspruit and Sol Plaatje University in Kimberley. However, despite this considerable amount, some have argued that the higher education is not getting nearly enough. One of the major challenges for the sector is to increase the enrolment of students by at least 50 000 by 2030, as per the expectations of the National Development Plan, but it seems that the budget allocations are inadequate to assist universities to do this. According to Professor Ian Scot of the University of Cape Town, the underfunding of sector will 'have a damaging effect on growth and equity'.⁹

The problem is further exacerbated, as student bodies have pointed out, by the inadequate funding of the National Student Financial Aid Scheme (NSFAS). The R9.5 billion that has been allocated this year will not be enough to assist the large tertiary education enrolments (expectations were that it would reach more than 1 million at universities and about 1.2 million at technical and vocational colleges¹⁰). In a recent parliamentary

question the higher education minister, Dr Blade Nzimande, conceded that the NSFAS will be unable to assist all poor students¹¹.

5. What's Missing?

One of the biggest omissions from Minister's Nene's Budget, and from the budget votes of the Departments of Basic Education and of Transport, is a bigger financial commitment to halt deaths of scholars while being transported. According to the Department of Basic Education, 507 318 learners qualified for free transport in 2014/2015, yet only 359 165 were actually transported. Thus, more than 100 000 learners either have to walk long distances to school or are transported in private vehicles/taxis that put their lives at risk¹². The scholar transport budget for 2015/2016 estimated a cost of R5 840.14 per learner per annum. However, this is clearly not enough, and both departments said in their presentations to the portfolio committee on basic education that insufficient funding is a challenge.

The funding challenge was also raised by Parliament's Standing Committee on Appropriations when it recommended to the National Treasury to provide a conditional grant for scholar transport. However, Treasury did not decide whether it would make such a grant available. In its 2015 Budget Review, it stated that it took note of the recommendation and would engage with all relevant stakeholders.

Furthermore, there was also no mention of the conditional grant when the Departments of Transport and Basic Education presented to the Portfolio Committee on Basic Education.

It is also worth noting that the area of School Governing Bodies' development remains unfunded, even though this is the year of SGB elections. This undermines the department's policy of democratising education and ensuring that the system is fully functional and assisting school managers.

6. Conclusion

The education sector was, yet again, the biggest beneficiary of the entire Budget. The amounts allocated for the various line items in the education budget look impressive, yet there remains a nagging feeling that a decade from now we will still have mud schools, still have insufficient teachers, and will still be talking about an inadequately funded and inefficiently run scholar transport system. There are many who argue that it is not just about throwing money at the challenges, but about re-examining how the money is spent and how the budgets are managed.

Kenny Pasensie
Researcher

¹ Centre for Child Law (2014): *Mud to bricks: A review of school infrastructure spending and delivery*. Available online at <http://www.cso.za.org/Resources>

² Department of Basic Education (2015): Presentation to the Portfolio Committee on Basic Education on the *Progress and Status of ASIDI*, 24 February 2015

³ National Treasury (2015): *Estimates of National Expenditure: Vote 14, Basic Education*

⁴ Andile Makholwa (2015): *Education: More money but many problems*. Financial Mail, 26 February 2015.

⁵ Nce Mkhize (2014): *Indebted teachers resign to raid pensions*. Business Day Live, 14 August 2014.

⁶ Nontobeko Mtshali (2013): *Teaching no longer the go-to profession*. IOL news, 14 October 2013.

⁷ Basic Education Budget Vote

⁸ Nhlanhla Nene (2015): *Budget Speech 2015*

⁹ Makholwa, *op cit*

¹⁰ *ibid*

¹¹ Bongani Nkosi (2015): *Nzimande: Funding squeeze on poor students to continue*. Mail & Guardian Online, 11 March 2015