



MINISTER OF HIGHER EDUCATION AND TRAINING

Budget Speech, National Council of Provinces, 12 May 2016

Honourable Chairperson of the NCOP,

Cabinet Colleagues and Deputies,

Deputy Minister Mduduzi Manana,

Chairperson of the Select Committee on Education and Training,

Members of the NCOP,

Director-General and Staff of the Department,

Heads of our Post-School Organisations and Institutions, particularly from the TVET and Community Colleges

Honoured Guests, including particularly my special guests

Ladies and Gentlemen,

Comrades,

My budget address to the House three weeks ago was set against our shared understanding that we still have many challenges in the higher education and training sector, arising out of our position as a developing country with a history and legacy of national oppression and super exploitation

But the debate – at least among those in the House who take the sector and its tasks seriously – was equally based on the premise that we have made enormous strides in

building a post-school education and training system the likes of which have never before been seen in South Africa.

Independent research confirms this unequivocally.

Writing two weeks ago, Dr Stephen Taylor, who has an economics PhD from Stellenbosch, noted that – contrary to recent reports – “the Stats SA published reports (as with all other analysis I have seen or done) indicate that the proportions of black and coloured youths who attain grade 9, grade 12, and a university degree, have all increased consistently in recent decades and are still increasing.”

Dr Taylor was responding to reports following a briefing by the Statistician General in mid-April. Some reports claimed, in the words of the Business Day headline, that “Black youth (are) less educated now than 20 years ago”. “This statement,” writes Dr Taylor, “is simply wrong and unsupported by any data set.”

Looking at the latest figures since 2008, he notes that “the number of black matric passes has increased from about 250 000 to over 350 000.

And the number of black people achieving a bachelors pass in matric has increased from about 60 000 to about 120 000.”

That figure alone, Chairperson, speaks to our achievements as an ANC government, and it indicates where our challenges lie. Firstly, in absorbing the growing numbers of our young people with bachelor’s passes, and secondly in providing skills enhancement and training opportunities for the many more who have matric, but require opportunities beyond the universities, as well as continuing to develop opportunities for those who have not completed high school.

My department is rising to this challenge. We have a clear and powerful vision of how to continue to build our system so that it continues to provide diverse and very real opportunities for our people to empower themselves for the future. We are currently developing a 15-year plan, based on the White Paper on Post-School Education and Training I released in 2014, and on the National Development Plan.

Key to this is building technical and vocational education and training. We are an industrial country with the continent’s most economically important cities, and we need

plumbers, electricians, motor mechanics, and people with all of the other skills required to keep the complex infrastructure, the mines, and the factories ticking over.

That is why we are placing so much emphasis on the training facilities most easily accessible in every province –TVET and community colleges. A young person – or even someone with a number of years of work experience who is looking to expand their horizons – should be able to access skills training locally, whether in Eshowe, Modimolle, De Aar, or Grabouw.

We have successfully expanded TVET numbers, shifting from a 1 to 4 to close to a 1 to 1 ratio of college to university students.

Now, our focus is on consolidation and improving teaching and learning in the sector. The University of the Western Cape is ready to deliver its first postgraduate programme for TVET lecturers. It is the trailblazer for several more universities.

TVET growth continues. Waterberg College in January enrolled 333 students for the new Thabazimbi campus. It has taken over Kumba Iron Ore's skills centre.

Of three new college sites under construction, Thabazimbi is ready for occupation by Waterberg College. Nkandla Town and Bhambanana are over 50% complete and are expected to be ready in the 3rd quarter of this financial year.

Ten more sites are going out to tender this month and will be completed 18 months after tenders are awarded. The sites include Giyani, Balfour, Sterkspruit, Aliwal North, Graaf Reinet and Ngqungqushe, Greytown, Msinga, Umzimkhulu and Nkandla B.

Colleagues,

The money voted by Parliament for Higher Education and Training is empowering our young people with the skills and knowledge to build a future for themselves.

But national Government cannot provide technical and vocational education and training alone. Allow me therefore to direct a few words to employers, particularly to those in the public sector in the provinces and at local government level.

Your involvement in ensuring a continuing pipeline of well-trained and skilled people across all sectors is critical to our economy and to the future of local authorities as you provide and maintain the infrastructure we need to attract investment and to create jobs.

To support closer cooperation, the Human Resource Development

Council recently launched the “Adopt a TVET college” initiative. This creates working partnerships between colleges and business to ensure an adequate supply of TVET graduates with skills where they are needed most. I hope local authorities and provincial governments will actively support this movement.

Artisan development is a key part of TVET. We are recapitalising and modernising the Institute for the National Development of Learnerships,

Employment Skills and Labour Assessments – “Indlela”. This financial year we aim to produce over 21 000 skilled artisans. This is a significant step towards the NDP target of 30 000 annually by 2030.

Colleagues,

About 18 million adults want to learn outside of universities and TVET colleges. We are building a Community Education and Training sector to improve and expand post-school education and training in cooperation with non-governmental and community based organisations.

That is why last year, I committed to establishing a DHET Branch for Community Education and Training. It is now in place. My commitment to pilot the Community College concept has happened, in partnership with the Catholic Institute for Education. We are now securing additional sites and resources for further Colleges.

Colleagues, I turn to the university sector.

Despite the wanton destruction by a small minority this year, the vast majority of students have returned to their studies and our universities continue to produce graduates and research that makes our nation proud and contributes to our economy and the wellbeing of our country.

We have made additional funds available to our universities despite the difficult fiscal environment, and we continue to increase access to university education for South Africans who just a few years ago would have had no hope of achieving their true potential this way. That is remarkable, we should not forget it, whatever the challenges.

Key to our strategy of expanded university access are our new institutions, bringing new centres of higher learning and advanced research to more of our provinces. Sol Plaatje University in Kimberley and the University of Mpumalanga in Mbombela in February admitted their third intake, with enrolments up from 130 and 140 in 2014 to 710 and 1329 respectively. R1.6-billion was invested and seventeen new buildings built. New infrastructure valued at R1.26-billion is under construction.

The Sefako Makgatho Health Sciences University in Gauteng entered its second year with an intake of 1 300 students. Our ninth medical school at the University of Limpopo linked to the province's academic hospital Presidential Project opened its doors in January to its first 60 students.

We are addressing the shortage of student accommodation, including working with the Minister of Public Works, Thulas Nxesi, to identify under-utilised or unused government buildings suitable for conversion into affordable and comfortable student housing for universities and TVET colleges.

Colleagues,

We need to intensify the struggle to build transformed and non-racial universities. We have told the institutions that we expect their implementation plans by the end of June on accelerating transformation as agreed by the second Higher Education Summit in October last year. The Higher Education Bill now in Parliament tasks university councils with driving transformation much more vigorously.

Chairperson,

The ANC is focused on providing quality, accessible, affordable, and diverse post-school education. We are committed to ensuring that academically capable and financially needy South Africans can access post-school education and training.

That is why, after the agreement on no fee increase for 2016, we are redoubling efforts to ensure support going forward for those who cannot afford to pay fees. We have provided R1.9-billion of the R2.3-billion shortfall resulting from the agreement.

We have reprioritised over R5.7-billion over the current MTEF period to universities to ensure that the 2016 fee freeze does not lead to unmanageable increases in the future.

Another R4.57-billion is allocated to the National Student Financial Aid Scheme, NSFAS, in 2016/17. This includes R2.54-billion to ensure that 71 753 students who were not funded or were insufficiently funded in 2013 to 2015 can pay their debts, and R2.03-billion to ensure that these students and poor students entering universities for the first time can study.

Colleagues,

This is a whopping 47.3% increase in baseline funding for NSFAS in 2016. Together with the other NSFAS funds, this will put 205 000 through university this year, and another 200 000 through TVET colleges. That is a total of 405 000 students receiving government support, a massive achievement by anybody's standards.

We also have a plan for the "missing middle"— students whose family income lies above the NSFAS threshold, but who still can't afford university. We aim to test our new model in 2017 and fully implement it in 2018.

Let me thank NSFAS Chairperson Sizwe Nxasana for the remarkable effort he is putting into reforming and improving the system.

The Presidential Commission is investigating the feasibility of fee-free education for university students. Let me appeal, colleagues, to everyone in the NCOP and the student movement to support the Commission with inputs and ideas.

Colleagues,

We are engaging stakeholders on strengthening the SETAs. As legislative changes are required, I have extended the current system to allow for consultation, legislative changes, and change management so that a new one can get to work in April 2018.

The National Skills Fund continues to play a catalytic development role. Among its many successes, let me highlight:

- the cutting edge medical and veterinary facilities opened this year, allowing the University of Pretoria to considerably increase its student intake in these fields
- the new work integrated learning facilities for engineers at the University of Johannesburg opened in November 2015
- and the new renewable energy training facilities at the Cape Peninsula University of Technology to train wind turbine technicians

The NSF has budgeted over R16.5-billion towards skills development and infrastructure over the medium term, with over R6.1-billion for financial 2016/17. The funds will benefit 43 000 per year and allow the construction of new TVET campuses.

The NSF this year allocated R800-million for NSFAS scarce and critical skills bursaries, and R245-million to the National Research Foundation. This benefits over 13 500 undergraduate and over 1 200 postgraduate students.

Chairperson, colleagues,

The Department is among a very few able to celebrate a real budget increase, current constraints notwithstanding. On behalf of all of the beneficiaries, allow me to express our profound gratitude to the President, the Finance Minister, Treasury, and my Cabinet colleagues.

For the current Medium Term Expenditure Framework, the Department's budget increases at an annual average 9.8. The R49.2-billion for 2016/17 is an increase of R7.3-billion, 18.0% more than last year.

These numbers underline how seriously the ANC government takes this sector. Enormous efforts are underway to ensure not only that extra resources are made available, but that they are used efficiently and effectively where they are needed most.

We do so because we recognise that the future of our country is inextricably linked to our ability to empower our people – particularly our young people – with the skills and knowledge to allow them to participate actively in building and transforming Africa's most advanced industrial economy.

Allow me in conclusion to thank the staff of our institutions and public entities, to thank employers opening their workplace to young people for training.

I am grateful to my deputy, Mduzuzi Manana, the very dedicated DHET staff led by DG Gwebs Qonde, to my personal staff and advisors. Finally, my sincere gratitude goes to the President and my Cabinet colleagues for their support.

Together let us move South Africa forward, through the provision of quality and affordable post-school education and training!