

Vote 15

Education

	2005/06 To be appropriated			2006/07	2007/08
MTEF allocations of which:	R12 397 064 000			R13 726 183 000	R14 536 393 000
	<i>Current payments</i>	<i>Transfers</i>	<i>Capital payments</i>		
	R463 424 000	R11 889 082 000	R44 558 000		
Statutory amounts	-			-	-
Responsible minister	Minister of Education				
Administering department	Department of Education				
Accounting officer	Director-General of Education				

Aim

The aim of the Department of Education is to develop, maintain and support a South African education and training system for the 21st century.

Programme purpose and measurable objective

Programme 1: Administration

Purpose: Provide for policy formulation and the overall management of the department.

Programme 2: Planning and Monitoring

Purpose: Provide strategic direction in the development, implementation and monitoring of education policies, programmes and projects.

Measurable objective: Promote effective education provisioning at national and provincial levels by developing policies and support systems, including norms and standards for funding and education information systems.

Programme 3: General Education

Purpose: Manage the development, implementation, evaluation and maintenance of national policy, programmes and systems for general education.

Measurable objective: Improve education in the foundation, intermediate and senior phases, by implementing national policy for outcomes-based education and related teacher development programmes.

Programme 4: Further Education and Training

Purpose: Provide strategic direction to the further education and training (FET) sector. Manage the planning, development, evaluation and maintenance of national policy, programmes and systems for further education and training, including national assessments and quality assurance systems.

Measurable objective: Enhance student capacity by improving further education and training, by implementing national policy for outcomes-based education, including national assessments and quality assurance systems.

Programme 5: Quality Promotion and Development

Purpose: Provide leadership for the development of policy and special education programmes in support of quality education across the system.

Measurable objective: Improve education through the development and implementation of programmes that address socio-economic risk, including school nutrition, HIV and Aids, race and gender equity, values in education, and quality assurance programmes.

Programme 6: Higher Education

Purpose: Provide strategic direction and develop policy and regulatory frameworks for an effective and efficient higher education system that contributes to fulfilling South Africa's human resources, research and knowledge needs.

Measurable objective: Improve the access, efficiency and outputs of the higher education system through governance, planning, monitoring, and financing frameworks.

Programme 7: Auxiliary and Associated Services

Purpose: Co-ordinate and promote effective communication, liaison, international relations, and national and provincial co-operative governance in education.

Measurable objective: Enhance effective communication, liaison, international relations, and national and provincial co-operative governance in education by providing timely and relevant information and support.

Strategic overview and key policy developments: 2001/02– 2007/08

Since 2001, the Department of Education has moved its focus from establishing broad policy and governance structures and stabilising the education system, to improving access, quality and equity. South Africa has made great progress in education transformation – by, among other efforts, improving teaching skills so that teaching may become a profession of able practitioners.

Improved systems for planning, budgeting and monitoring

The national school funding norms, which came into effect in January 2000, is the policy basis determining how public funds are distributed to individual schools. The norms were gradually implemented in all provinces by 2002, whereafter a comprehensive study on the costs and financing of education was undertaken due to the growing concerns about the cost of education, especially to parents. Flowing from this study, the norms have been revised and public comment is being considered. The department plans to publish a revised set of norms to come into effect in the 2006 academic year. The main features of the revised norms would be to address the principle of school fee exemptions as well as the adequacy level of a basic minimum education package – meaning the least funding required to provide an adequate level of education. The revised norms will also address some adjustments to subsidies to independent schools.

Over the MTEF period, the department will support the development and implementation of new funding norms for adult basic education and training (ABET), early childhood development

(ECD), further education and training (FET) colleges and special needs education. Funding framework documents for each sub-sector have been developed and will be finalised during 2005.

The department will start a process of standardising the reporting and collecting of data in the education system. The first phase of the process would be to determine the needs and requirements in the provincial education departments and at national level. A fully integrated system between national education and provinces is envisaged for 2010.

In 2004, the department began developing standards for school infrastructure, including minimum requirements for basic services like water and sanitation. Once approved, they will be used to standardise school design and construction and will lead to gains in costs, through economies of scale, and efficiency, and therefore quicker turnaround times for construction. The department also worked on developing monitoring tools to track progress in reducing the number learners who are still receiving education under trees, in mud structures or in unsafe conditions.

Teacher development and teacher allocations to schools

The department is responsible for human resources development in the education sector, including training teachers and developing school managers and school governing bodies. The goals are firstly to ensure that all teachers are qualified, and secondly to improve the overall quality of teaching and management. The department will continue its quest to reduce the number of unqualified teachers in the system. More than 4 000 teachers have been sponsored in various university level programmes, including special projects designed to improve mathematics and science and technology teaching and to promote values in education.

During 2005/06, a national framework for teacher education will be finalised. This will provide a more coherent platform for continually developing teachers and school management teams. Over the MTEF period, norms and standards will be developed for institutional management, which will enable the careful mapping of a development trajectory for school and FET college managers.

The development of the integrated quality management system (IQMS) in 2004, will make a major contribution to improving the quality of education and will be used for salary progression assessments, including the allocation of rewards to top performers. Salary progression is based on satisfactory performance over the year. As part of endeavours to improve career pathing opportunities for educators, a new salary grading system was agreed upon and implemented in April 2003. The new system makes provision for annual salary increments of 1 per cent for each salary notch along the full salary scale of 16 notches.

The department is investigating the introduction of incentives to attract scarce skills to 'hardship posts' in rural and township schools.

Improving access and quality in general education

The department will concentrate on implementing the revised national curriculum in the intermediate phase in 2005, and the senior phase in 2006 and 2007.

The department aims to remove all barriers to learning so that children with special needs, including the most vulnerable, are able to participate fully. The implementation of the White Paper on Special Needs Education will begin over the 2005 MTEF period. Progress towards universal grade R provisioning by 2010 will also continue in 2005, with access being progressively provided to an additional 400 000 children.

The department will focus on improving the outcomes of education in the early years of schooling. Programmes for improving general literacy, including reading, writing and basic numeracy, will be introduced throughout general education, with an emphasis on the foundation phase.

During 2004/05, the department implemented the national school nutrition programme. Despite some delays with paying service providers, which had a negative effect on feeding services, the programme was mostly successful in 2004/05.

Developments in further education and training

Further education and training encompasses grades 10 to 12 in schools and levels 2 to 4 in FET colleges. After the successful rationalisation of the FET colleges system, the main challenge remains to be flexible enough to provide market-related programmes cost-effectively. Curriculum reform and changes to financing mechanisms will be the main focus areas of restructuring during the MTEF period.

Preparations for implementing outcomes-based education in FET began in 2002. A qualifications and assessment policy framework for grades 10 to 12 in schools was developed which specifies the new Further Education and Training Certificate (FETC), which will replace the Senior Certificate by 2008. Comparability of the FETC with international exit qualifications has been established.

The main emphasis during 2005/06 would be to complete frameworks and plans for the FET college recapitalisation project with the aim of improving governance and administration and to rehabilitate buildings and other infrastructure. The project will be funded as a conditional grant to provinces from 2006/07, at an estimated total cost of R1,5 billion.

The national matriculation pass rate declined from 73,3 per cent in 2003 to 70,7 per cent in 2004; 18,2 per cent of matriculation candidates passed with endorsement (learners securing access to the higher education system) in 2004, compared to 18,6 per cent in 2003. However, the actual number of learners that passed with endorsements, increased from 82000 to 85117. This was possible due to an increase of 5.9 per cent in the number of candidates that wrote the exam. Schools with pass rates of less than 20 per cent for grade 12, increased from 154 in 2003 to 183 in 2004. Since 2000, the department focussed on establishing common standards across the system, implementing a new curriculum and applying focussed intervention strategies to improve the performance of schools.

Restructuring in higher education

The restructuring of the institutional landscape of the higher education system receives ongoing attention, and is the main element in the broader strategy for transforming the higher education system as a whole. The national and institutional planning process will be the main levers for meeting national goals and objectives.

The new funding framework for public higher education institutions came into effect on April 2004. Planned student enrolments, approved in advance by the minister and linked to institutional performance in meeting national goals and objectives, now determine institutions' funding.

The planned mergers of higher education institutions through the legal establishment of new institutions and the subsequent substantive integration of the merged institutions proceeded according to set timelines. Only one planned merger, between the University of Transkei, Border Technikon and Eastern Cape Technikon, has been delayed.

Expenditure estimates

Table 15.1: Education

Programme	Expenditure outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimate		
	Audited	Audited	Preliminary outcome			2005/06	2006/07	2007/08
R thousand	2001/02	2002/03	2003/04	2004/05				
1. Administration	56 939	62 588	70 889	94 175	94 175	119 865	152 372	160 358
2. Planning and Monitoring	230 598	262 904	272 039	60 291	60 291	39 510	44 465	57 821
3. General Education	133 445	281 757	372 078	247 484	247 484	230 889	235 565	246 637
4. Further Education and Training	72 714	89 309	110 434	183 431	173 431	211 909	664 332	667 520
5. Quality Promotion and Development	526 194	535 841	733 116	888 743	888 743	953 804	1 141 801	1 198 176
6. Higher Education	7 543 343	8 043 477	8 952 567	9 908 521	9 908 521	10 809 564	11 453 235	12 169 341
7. Auxiliary and Associated Services	53 133	38 537	32 321	22 450	22 450	31 523	34 413	36 540
Total	8 616 366	9 314 413	10 543 444	11 405 095	11 395 095	12 397 064	13 726 183	14 536 393
Change to 2004 Budget estimate				60 138	50 138	290 082	719 390	879 260

Economic classification

	2001/02	2002/03	2003/04	2004/05	2004/05	2005/06	2006/07	2007/08
Current payments	239 776	307 791	352 262	480 923	469 923	463 424	445 293	472 680
Compensation of employees	110 455	135 437	160 979	212 833	212 833	205 511	218 008	226 472
Goods and services	129 253	172 302	179 987	268 090	257 090	257 913	227 285	246 208
<i>of which:</i>								
<i>Travel and subsistence</i>	33 647	31 323	49 915	59 376	59 376	71 205	66 910	70 959
<i>Consultants and contractors</i>	43 158	52 582	57 121	85 577	85 577	64 381	58 383	71 513
<i>Printing and publications</i>	15 608	51 912	26 232	25 697	25 697	32 176	22 271	22 676
<i>Computer services</i>	6 985	7 476	10 875	7 650	7 650	27 344	23 929	21 044
<i>Communication</i>	5 399	6 297	7 262	5 909	5 909	7 518	6 802	7 198
<i>Inventory</i>	4 846	4 373	21 216	16 445	16 445	15 967	6 808	7 116
Financial transactions in assets and liabilities	68	52	11 296	-	-	-	-	-
Transfers and subsidies to:	8 364 115	8 993 943	10 143 255	10 913 490	10 914 490	11 889 082	13 226 789	14 007 058
Provinces and municipalities	809 749	936 501	1 144 392	991 100	991 100	1 048 936	1 743 042	1 805 178
Departmental agencies and accounts	460 135	523 309	606 827	617 622	617 622	930 592	994 240	1 183 957
Universities and technikons	7 078 591	7 520 276	8 373 458	9 300 504	9 300 504	9 899 491	10 478 620	11 006 151
Foreign governments and international organisations	15 640	13 857	13 578	4 264	5 264	10 063	10 887	11 772
Non-profit institutions	-	-	5 000	-	-	-	-	-
Payments for capital assets	12 475	12 679	47 927	10 682	10 682	44 558	54 101	56 655
Buildings and other fixed structures	9 735	8 574	42 596	-	-	27 170	49 800	52 290
Machinery and equipment	2 740	4 105	5 331	10 682	10 682	17 388	4 301	4 365
Total	8 616 366	9 314 413	10 543 444	11 405 095	11 395 095	12 397 064	13 726 183	14 536 393

Expenditure trends

Overall expenditure is expected to continue to grow strongly, having risen from R8,6 billion in 2001/02 to R11,4 billion in 2004/05, and expected to rise to R14,5 billion in 2007/08, an annual average increase of 9,1 per cent over the seven-year period.

Expenditure is dominated by the *Higher Education* programme, which consists mainly of transfers to higher education institutions and the National Student Financial Aid Scheme (NSFAS). The strong growth in provincial transfers over the next three years is due to the provision for the

recapitalisation of FET Colleges, which is reflected as a conditional grant, through the *Further Education and Training* programme, which grows at an annual average rate of 53,8 per cent.

The rapid increase in expenditure on compensation of employees over the last four years is due to an increase in spending on examiners and moderators, an increase in the department's staff complement, improvements in conditions of service and the payment of salaries for the coordinators of the Ikhwelo project.

The 2005 Budget increased the allocation to the department by R291,1 million for 2005/06, R720,4 million for 2006/07 and R875,7 million for 2007/08. These increases are mainly for the following:

- The National Student Financial Aid Scheme: R226,0 million in 2005/06, R200,0 million in 2006/07 and R350,0 million in 2007/08
- Improvements to the Education Management Information System: R10,0 million in 2005/06, R15,0 million in 2006/07 and R20,0 million in 2007/08
- R50,0 million in 2005/06 for the development of a recapitalisation framework for the FET College sector
- The recapitalisation of FET Colleges: R500,0 million for each of 2006/07 and 2007/08.

Departmental receipts

The main revenue sources for the department are the repayment of government loans by relevant higher education institutions and fees for technical examinations.

Table 15.2: Departmental receipts

	Receipts outcome			Adjusted appropriation	Medium-term receipts estimate		
	Audited	Audited	Preliminary outcome		2005/06	2006/07	2007/08
R thousand	2001/02	2002/03	2003/04	2004/05			
Sales of goods and services produced by department	492	655	597	637	693	749	787
Sales of scrap, waste and other used current goods (excluding capital assets)	7	15	18	20	22	24	25
Transfers received	1 000	786	4 950	1 787	–	–	–
Interest, dividends and rent on land	4 696	4 583	4 510	4 405	4 375	4 308	4 240
Financial transactions in assets and liabilities	6 510	4 773	3 233	1 395	1 202	1 277	1 341
Total	12 705	10 812	13 308	8 244	6 292	6 358	6 393

Programme 1: Administration

Administration provides for policy formulation and the overall leadership and management of the department, including the responsibilities of the minister, deputy minister and director-general. It also provides for corporate services such as personnel, financial, administrative and security services.

Expenditure estimates

Table 15.3: Administration

Subprogramme	Expenditure outcome			Adjusted appropriation	Medium-term expenditure estimate		
	Audited	Audited	Preliminary outcome		2004/05	2005/06	2006/07
R thousand	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08
Minister ¹	646	684	874	791	843	898	942
Deputy Minister ²	479	519	656	585	654	696	731
Management	24 674	24 503	25 969	38 215	32 041	33 967	35 450
Corporate Services	31 140	36 882	43 390	54 584	86 327	116 811	123 235
Total	56 939	62 588	70 889	94 175	119 865	152 372	160 358
Change to 2004 Budget estimate				(2 897)	(5 943)	1 316	1 749

¹ Payable as from 1 April 2004. Salary: R633 061. Car allowance: R158 265

² Payable as from 1 April 2004. Salary: R467 765. Car allowance: R116 941

Economic classification

Current payments	55 854	61 018	64 106	90 655	91 699	101 439	106 899
Compensation of employees	27 676	35 762	38 481	50 005	50 420	53 396	55 527
Goods and services	28 117	25 234	25 619	40 650	41 279	48 043	51 372
of which:							
Travel and subsistence	10 204	6 651	7 868	9 183	10 005	10 667	11 199
Consultants and contractors	3 405	3 061	4 113	3 362	3 968	4 217	4 066
Computer services	2 652	3 252	5 277	3 887	4 262	4 605	4 890
Communication	1 816	2 327	2 995	2 290	2 521	2 663	2 776
Inventory	1 179	1 593	2 599	1 677	2 006	2 128	2 250
Financial transactions in assets and liabilities	61	22	6	–	–	–	–
Transfers and subsidies to:	239	303	5 343	205	218	302	319
Provinces and municipalities	83	104	112	124	123	192	199
Departmental agencies and accounts	156	199	231	81	95	110	120
Non-profit institutions	–	–	5 000	–	–	–	–
Payments for capital assets	846	1 267	1 440	3 315	27 948	50 631	53 140
Buildings and other fixed structures	–	–	–	–	27 170	49 800	52 290
Machinery and equipment	846	1 267	1 440	3 315	778	831	850
Total	56 939	62 588	70 889	94 175	119 865	152 372	160 358

Details of transfers and subsidies:

Departmental agencies and accounts							
Current	156	199	231	81	95	110	120
Education, Training and Development Practice SETA (ETDP SETA)	156	199	231	81	95	110	120
Total departmental agencies and accounts	156	199	231	81	95	110	120
Non-profit institutions							
Current	–	–	5 000	–	–	–	–
Jacob Zuma Trust Fund	–	–	5 000	–	–	–	–
Total non-profit institutions	–	–	5 000	–	–	–	–

Expenditure trends

Expenditure is expected to continue to grow rapidly, rising from R56,9 million in 2001/02 to R160,4 million in 2007/08, an annual average growth rate of 18,8 per cent over the seven-year

period. Much of the increase in expenditure over the next three years is due to the costs associated with the planned new office building for the department. The building will be constructed in the planned Government Boulevard and is being procured through a PPP.

Programme 2: Planning and Monitoring

Planning and Monitoring provides strategic direction for developing, implementing and monitoring education policies, programmes and projects.

There are three subprogrammes:

- *Education Human Resources Planning* is responsible for human resources management and development for college and school educators as well as educator labour relations.
- *Financial and Physical Planning, Information and Policy Support* focuses on cross-cutting aspects such as financial and infrastructure planning, information systems for education and the co-ordination with provinces for implementing national policy.
- *Budget Monitoring and Support* provides support to provinces on budgetary matters and monitors provincial financial performance.

Expenditure estimates

Table 15.4: Planning and Monitoring

Subprogramme	Expenditure outcome			Adjusted appropriation	Medium-term expenditure estimate		
	Audited	Audited	Preliminary		2005/06	2006/07	2007/08
R thousand	2001/02	2002/03	2003/04	2004/05			
Education Human Resources Planning	6 121	5 342	5 281	8 123	8 871	9 352	9 733
Financial and Physical Planning, Information and Policy Support	6 435	26 789	51 965	24 429	23 792	28 190	40 838
Budget Monitoring and Support	218 042	230 773	214 793	27 739	6 847	6 923	7 250
Total	230 598	262 904	272 039	60 291	39 510	44 465	57 821
Change to 2004 Budget estimate				23 501	3 204	6 624	18 088

Economic classification

Current payments	15 706	25 603	16 131	37 477	38 375	43 695	56 802
Compensation of employees	9 906	11 258	11 985	18 926	19 126	20 260	21 070
Goods and services	5 800	14 342	4 146	18 551	19 249	23 435	35 732
<i>of which:</i>							
<i>Travel and subsistence</i>	2 154	1 435	1 557	1 654	2 512	2 598	2 758
<i>Consultants and contractors</i>	1 335	11 431	1 414	14 841	13 931	17 986	30 057
Financial transactions in assets and liabilities	–	3	–	–	–	–	–
Transfers and subsidies to:	213 029	228 353	212 768	21 738	56	56	56
Provinces and municipalities	213 029	228 353	212 768	21 738	56	56	56
Payments for capital assets	1 863	8 948	43 140	1 076	1 079	714	963
Buildings and other fixed structures	1 563	8 574	42 596	–	–	–	–
Machinery and equipment	300	374	544	1 076	1 079	714	963
Total	230 598	262 904	272 039	60 291	39 510	44 465	57 821

	Expenditure outcome			Adjusted appropriation	Medium-term expenditure estimate		
	Audited	Audited	Preliminary outcome		2005/06	2006/07	2007/08
R thousand	2001/02	2002/03	2003/04	2004/05			
Details of transfers and subsidies:							
Provinces and municipalities							
Provinces							
Provincial revenue funds							
Current	213 000	228 320	212 731	21 683	-	-	-
Financial Management and Quality Enhancement	213 000	228 320	212 731	21 683	-	-	-
Municipalities							
Municipal bank accounts							
Current	29	33	37	55	56	56	56
Regional Service Council Levies	29	33	37	55	56	56	56
Total provinces and municipalities	213 029	228 353	212 768	21 738	56	56	56

Expenditure trends

The very large drop in expenditure in 2004/05 is due to the phasing out of the financial management and quality enhancement conditional grant to provinces and the Thuba Makote project. Spending on compensation of employees increased rapidly in 2004/05, due to the establishment of a budget office to support and monitor provincial education departments. The increases in expenditure on goods and services over the next three years, especially consultant services, are mainly due to the additional funds for the improvement of the Education Management Information System.

Service delivery objectives and indicators

Recent outputs

Highlights

The Minister of Education and the Minister of Labour reached agreement on the revised national qualifications framework in 2004 and the legal requirements for implementation will be dealt with in 2005.

The integrated quality management system was agreed to by all relevant parties and is currently being implemented. A performance reward system was developed and approved by the Heads of Education Departments Committee (HEDCOM), and is now being dealt with in the Education Labour Relations Council (ELRC).

National norms for the provisioning of support staff to schools were developed, and provincial education departments are investigating the feasibility of these norms.

The publication Education Statistics at a Glance for 2002 was published in November 2004. In future, reporting functionality will be improved by a new business intelligence reporting system, so that information is more usable for decision-making. School infrastructure expenditure is now monitored quarterly through provincial reports.

Draft funding norms for ABET have been approved by the Council of Education Ministers and public comments are being considered. Implementation is planned for 2006. Draft funding norms for Grade R will also be ready for implementation by 2006.

Progress on the monitoring and evaluation of donor-funded projects is satisfactory. Quarterly progress reports are received and analysed, and levels of expenditure monitored. Quarterly reports on conditional grants are also submitted to National Treasury and the National Committee on Public Accounts as required.

The department is busy publishing a comprehensive education expenditure review for budget monitoring and support for provinces. The review, which will be completed by mid-2005, will reflect specific changes which could impact on future budget decisions.

Selected medium-term output targets

Planning and Monitoring

Measurable objective: Promote effective education provisioning at national and provincial levels by developing policies and support systems, including norms and standards for funding and education information systems.

Subprogramme	Output	Measure/Indicator	Target
Education Human Resources Planning	Ensure an effective legal framework	Amendment bills for general and higher education National Qualifications Framework Bill	Implement a revised and effective legislative framework by end of 2006
	Performance management system for educators	Agreement signed with the Education Labour Relations Council on the performance reward system Integrated quality management system (IQMS) implemented in all provinces	Agreement signed by September 2005 By December 2005
Financial and Physical Planning, Information and Policy Support	Education management information system update	Publish Education Statistics at a Glance for 2003 Monitoring and reporting system fully implemented	June 2005 By March 2006
	Monitor school infrastructure expenditure	Quarterly reports on school infrastructure analysed, quarterly and yearly reports produced Norms and standards for infrastructure and capital investment plan developed	First quarterly report on 31 August 2005 and quarterly thereafter 2005/06 annual report by May 2006 30 June 2005
Budget Monitoring and Support	The development of education economic analyses, systems and capacity	A database of financial and non-financial information in place Comprehensive review report on education funding published	30 September 2005 31 March 2006
	The development, supporting, maintaining and monitoring of education institutional funding norms and standards	Norms and standards for funding of ABET and public schools finalised and published for implementation	November 2005

Programme 3: General Education

General Education manages the development, implementation, evaluation and maintenance of national policy, programmes and systems for general education, including for early childhood development and the South African National Literacy Initiative (SANLI).

There are two subprogrammes:

- *Curriculum Development and Assessment (GET)* is responsible for developing and implementing the curriculum and related programmes and systems for general education and for evaluating and maintaining policy initiatives.

- *Education Human Resources Development* develops policies and programmes to promote the development of educators, and management and governance capacity, and evaluates qualifications for employment in education.

Expenditure estimates

Table 15.5: General Education

Subprogramme	Expenditure outcome			Adjusted appropriation	Medium-term expenditure estimate		
	Audited	Audited	Preliminary outcome		2004/05	2005/06	2006/07
R thousand	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08
Curriculum Development and Assessment (GET)	113 168	256 306	337 142	209 193	191 363	192 033	200 669
Education Human Resources Development	20 277	25 451	34 936	38 291	39 526	43 532	45 968
Total	133 445	281 757	372 078	247 484	230 889	235 565	246 637
Change to 2004 Budget estimate				29 807	10 164	4 477	3 995

Economic classification

Current payments	48 921	94 120	125 398	109 990	94 052	90 560	94 452
Compensation of employees	13 326	20 124	35 301	34 218	24 324	25 405	26 160
Goods and services	35 595	73 976	90 097	75 772	69 728	65 155	68 292
<i>of which:</i>							
Travel and subsistence	9 021	9 323	15 329	3 549	18 817	19 753	21 393
Consultants and contractors	9 101	18 204	39 210	38 418	28 757	28 462	29 540
Printing and publications	9 920	41 260	16 559	5 962	18 477	14 141	14 371
Inventory	1 266	735	15 495	9 766	819	504	459
Financial transactions in assets and liabilities	–	20	–	–	–	–	–
Transfers and subsidies to:	83 925	186 511	246 176	136 817	136 480	144 626	151 850
Provinces and municipalities	83 925	186 511	219 660	136 717	136 380	144 526	151 750
Departmental agencies and accounts	–	–	26 416	–	–	–	–
Foreign governments and international organisations	–	–	100	100	100	100	100
Payments for capital assets	599	1 126	504	677	357	379	335
Machinery and equipment	599	1 126	504	677	357	379	335
Total	133 445	281 757	372 078	247 484	230 889	235 565	246 637

Details of transfers and subsidies:

Provinces and municipalities							
Provinces							
Provincial revenue funds							
Current	83 896	186 458	219 621	136 621	136 293	144 471	151 695
HIV and Aids (Life Skills Education) Grant	62 896	133 458	131 621	134 151	136 293	144 471	151 695
Early Childhood Development	21 000	53 000	88 000	2 470	–	–	–
Municipalities							
Municipal bank accounts							
Current	29	53	39	96	87	55	55
Regional Service Council Levies	29	53	39	96	87	55	55
Total provinces and municipalities	83 925	186 511	219 660	136 717	136 380	144 526	151 750

R thousand	Expenditure outcome			Adjusted appropriation	Medium-term expenditure estimate		
	Audited	Audited	Preliminary outcome		2005/06	2006/07	2007/08
	2001/02	2002/03	2003/04	2004/05			
Departmental agencies and accounts							
Current	-	-	26 416	-	-	-	-
Construction Education and Training Authority	-	-	10 000	-	-	-	-
Tourism Hospitality Education and Training Authority	-	-	6 750	-	-	-	-
Primary Agriculture and Training Authority	-	-	6 666	-	-	-	-
Education Sector and Education Training Authority	-	-	3 000	-	-	-	-
Total departmental agencies and accounts	-	-	26 416	-	-	-	-
Foreign governments and international organisations							
Current	-	-	100	100	100	100	100
Guidance, Counselling and Youth Development Centre for Africa: Malawi	-	-	100	100	100	100	100
Total foreign governments and international organisations	-	-	100	100	100	100	100

Expenditure trends

Expenditure increased rapidly between 2001/02 and 2003/04, rising from R133,4 million to R372,1 million. This growth was mainly due to increases in the funding for HIV and Aids life skills programmes in schools, which are funded through conditional grants. Expenditure fell in 2004/05 due to the phasing out of the poverty relief allocation for the Ikhwelo project and the early childhood development conditional grant.

Service delivery objectives and indicators

Recent outputs

The target of enrolling 300 000 Grade R learners was met in 2004.

The first stage of the tender for physical and material resource development in 30 full-service schools has been completed. A report on and a database of the audit on special schools have been completed providing baseline information for strengthening special schools. Furthermore, the tender on project management was awarded for the development of 30 district-based support teams, 30 full-service schools, as well as 30 special schools and resource centres. Draft conceptual and operational guidelines have been completed as user-friendly manuals, and draft guidelines for inclusive teaching and learning have been completed as part of phase 4 of the advocacy programme. A total of 43 777 adult learners were reached in 2004.

Revised National Curriculum Statement

The Revised National Curriculum Statement was distributed to all schools and the curriculum implemented in the foundation phase in January 2004. Teachers' guides for the development of learning programmes in the intermediate and senior phases were developed and distributed to all schools between May and August 2004. Training manuals for provincial officials were developed, and comprehensive training for the officials responsible for the intermediate phase took place.

Training education managers and school governors

The policy on career and training development structures for education managers and school governors will be gazetted in 2005, an Advanced Certificate in Education (ACE) (Ed. Man) was gazetted in June 2004 and work on B.Ed (Hons), M.Ed and D.Ed is in process. Specific courses on co-operative discipline and on women in management have been run in all the provinces. Nationally, 460 provincial officials in all nine provinces have been trained as trainees or trainers of these two courses using nationally developed manuals. Through site visits and questionnaires, the department is monitoring the impact of provincial training on the use of corporal punishment in schools and the advancement of women managers in the education system.

HIV and Aids

With regard to targeted schools (10 schools per province) being able to manage the impact of HIV and Aids, 92 schools where school governing bodies and school management teams had been trained were visited between March 2004 and June 2004. Ninety per cent of these already had policies in place, and 83 per cent had operational plans in place.

Teacher education

The national framework to guide higher education institutions, statutory bodies and provincial education departments in the delivery of teacher education has been widely discussed and is nearly completed. In addition approximately 2 100 provincial officials and 200 000 foundation phase and intermediate phase teachers across the nine provinces have been oriented to implement the revised national curriculum. A monitoring team was set up to monitor the audited orientation training sessions of both the provincial officials and the teachers in the revised national curriculum.

Selected medium-term output targets**General Education**

Measurable objective: Improve education in the foundation, intermediate and senior phases, by implementing national policy for outcomes-based education and related teacher development programmes.			
Subprogramme	Output	Measure/Indicator	Target
Curriculum Development and Assessment (GET)	Systems and programmes for expanded access and improvement of learner and institutional performance in early childhood education, special needs education, adult basic education (ABET), grades R to 9 and adult, children's and youth literacy Revised national curriculum fully operational	Increased number of children in Grade R classes Increased number of adult learners in programmes Implementation of the revised national curriculum, including adequate preparation of teachers and development of support systems for sustainability Reading, writing and maths performance of foundation phase learners at appropriate standard	100 000 additional Grade R learners targeted for 2005 31 000 additional adult learners enrolled in formal ABET programmes during 2005 Intermediate phase: 2005 academic year Grade 7: January 2006 Grade 8: January 2007 75% of learners
Education Human Resources Development	Effective school and district management and governance	Policy supported by norms and standards and protocols in place for school management and governance Increased number of schools with financial and general management capacity	Norms and standards by July 2005 5% more schools with section 21 status by December 2005 compared to December 2004

Subprogramme	Output	Measure/Indicator	Target
	Improved quality of teachers able to deliver the revised national curriculum effectively	Increasing cadre of teachers available to teach scarce and high-dividend subjects (especially maths and science)	500 new teachers of maths, science and technology start training in 2005
		Teachers upgraded through the National Professional Diploma in Education	3 000 teachers graduate by December 2005
		Senior phase teacher training in revised national curriculum monitored and quality assured	50 000 teachers and 1 050 provincial master trainers trained by December 2005

Programme 4: Further Education and Training

Further Education and Training provides strategic direction to the further education and training sector (national qualification framework levels 2 to 4, equivalent to grades 10 to 12 in schools and National Technical Certificate 1 to 3 in colleges).

There are three subprogrammes:

- *Curriculum Development and Assessment (FET)* manages the planning, development, evaluation and maintenance of national policy, programmes and systems for further education and training.
- *National Examinations and Administration* ensures that national assessments and quality assurance systems are in place for further education and training.
- *Special Interventions* is responsible for curriculum enrichment, focusing on the maths, science and technology project, ICT training in schools, and youth development programmes.

Expenditure estimates

Table 15.6: Further Education and Training

Subprogramme	Expenditure outcome				Adjusted appropriation	Medium-term expenditure estimate		
	Audited	Audited	Preliminary outcome					
R thousand	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	
Curriculum Development and Assessment (FET)	21 080	31 004	34 361	89 428	113 135	559 937	562 725	
National Examinations and Administration	51 634	58 305	74 333	81 386	83 963	89 876	89 925	
Special Interventions	–	–	1 740	12 617	14 811	14 519	14 870	
Total	72 714	89 309	110 434	183 431	211 909	664 332	667 520	
Change to 2004 Budget estimate				3 817	58 206	507 965	503 335	

Economic classification

	57 883	76 372	93 689	150 974	158 173	123 067	124 417
Current payments							
Compensation of employees	39 814	47 209	48 718	62 905	61 581	65 737	68 634
Goods and services	18 069	29 160	33 681	88 069	96 592	57 330	55 783
of which:							
Travel and subsistence	5 223	7 435	13 225	39 550	26 680	18 899	19 698
Consultants and contractors	2 406	4 787	7 020	16 788	12 089	1 901	1 897
Printing and publications	1 149	5 946	3 686	14 816	9 050	3 435	3 582
Computer services	4 139	4 062	4 223	3 752	22 137	18 467	15 272
Financial transactions in assets and liabilities	–	3	11 290	–	–	–	–

	Expenditure outcome			Adjusted appropriation	Medium-term expenditure estimate		
	Audited	Audited	Preliminary outcome		2005/06	2006/07	2007/08
R thousand	2001/02	2002/03	2003/04	2004/05			
Transfers and subsidies to:	6 133	12 244	15 531	28 655	39 860	539 957	541 953
Provinces and municipalities	133	152	157	194	103	500 107	500 110
Departmental agencies and accounts	6 000	12 092	15 374	28 461	39 757	39 850	41 843
Payments for capital assets	8 698	693	1 214	3 802	13 876	1 308	1 150
Buildings and other fixed structures	8 172	–	–	–	–	–	–
Machinery and equipment	526	693	1 214	3 802	13 876	1 308	1 150
Total	72 714	89 309	110 434	183 431	211 909	664 332	667 520

Details of transfers and subsidies:

Provinces and municipalities							
Provinces							
Provincial revenue funds							
Current	–	–	–	–	–	500 000	500 000
Further Education and Training College Sector Recapitalisation Grant	–	–	–	–	–	500 000	500 000
Municipalities							
Municipal bank accounts							
Current	133	152	157	194	103	107	110
Regional Service Council Levies	133	152	157	194	103	107	110
Total provinces and municipalities	133	152	157	194	103	500 107	500 110
Departmental agencies and accounts							
Current	6 000	12 092	15 374	28 461	39 757	39 850	41 843
South African Qualifications Authority	6 000	10 579	11 270	21 646	32 067	33 991	35 691
Umalusi	–	1 513	4 104	6 815	7 690	5 859	6 152
Total departmental agencies and accounts	6 000	12 092	15 374	28 461	39 757	39 850	41 843

Expenditure trends

Expenditure increased significantly in 2004/05, due to spending on the rewriting and implementation of the further education and training curriculum, which covers grades 10 to 12. Expenditure is expected to more than triple in 2006/07 due to an additional allocation set out in the 2005 Budget of R500 million for both 2006/07 and 2007/08, for the recapitalisation of the FET College sector.

Additional allocations are made for the South African Qualifications Authority of R5 million in 2005/06, R5,3 million in 2006/07 and R5,6 million in 2007/08 to pay for the VAT adjustment.

Service delivery objectives and indicators

Recent outputs

Planning for implementing outcomes-based education into FET

The first draft of the qualifications framework for technical vocational education and training levels 2 to 4 programmes was completed in 2004 and discussed against the NQF review, which is still in progress. The second draft versions for the curricula for technical subjects are being field-tested. All provinces have been provided with the approved curricula of the first 21 subjects, which can be used for teacher orientation and training.

Exit examination for general education and training

The natural science examination (a group of subject exams in the natural sciences) was conducted successfully in August 2004. The policy on conducting the Senior Certificate (SCE) examination was also completed and updated successfully. An Inter-Provincial Examinations Committee workshop and meetings were held with all provinces to evaluate the SCE performance and to further develop policy, which in turn, can help to improve performance.

Two visits per province were conducted to underperforming schools (schools with pass rates below 20 per cent) as part of the measures to take corrective actions where required to reduce the numbers of such schools. These interventions help to determine the level of readiness of schools to conduct Senior Certificate and FET college examinations.

Mathematics, science and technology

Since the launch of the national strategy for mathematics, science and technology education, the number of African learners performing better has increased almost two-fold nationally. About 11 per cent of these learners are from the 102 dedicated schools. In these schools, performance tripled, especially at higher grade level. There has also been an improvement in participation by female learners, especially in the dedicated schools, where there are currently more female learners than male learners taking mathematics and science.

Integrating ICT into teaching and learning

The Western Cape, Gauteng and the Northern Cape have the highest percentage of schools (60 per cent) with one or more computers, including computers for administration. The average for Limpopo, Mpumalanga and KwaZulu-Natal is less than 20 per cent.

An educational portal was developed at www.thutong.org.za during September 2004, and has an average of 1 600 visitors per month already. The portal provides information on curriculum content.

Selected medium-term output targets

Further Education and Training

Measurable objective: Enhance student capacity by improving further education and training, by implementing national policy for outcomes-based education, including national assessments and quality assurance systems.

Subprogramme	Output	Measure/Indicator	Target
Curriculum Development and Assessment (FET)	Phasing outcomes-based education into FET	Policy finalised for national curriculum implementation in grades 10 to 12	January 2006
	The integration of senior secondary schools in FET, with special reference to governance and funding	Policy on the integration of senior secondary schools developed and implemented	December 2006

Subprogramme	Output	Measure/Indicator	Target
National Examinations and Administration	Credible external examinations for schools and colleges	The number of schools and colleges where credible examinations are conducted	Effective and efficient exams conducted in all schools and colleges
	Upgraded security of the examination system	Improved security of question papers and examination system	System upgraded by September 2005
Special Interventions	Integration of ICT and increased performance in mathematics and science	Increased incidence of educators and learners integrating ICT into teaching and learning	50% of schools have computer access by March 2006
		Increased participation and performance in grades 10, 11 and 12 by historically disadvantaged learners	5% increase by December 2005
	Teacher training in mathematics and science	Improved teaching and learning of mathematics and science	10 000 teachers trained by December 2005
		Increased numbers of mathematics and science graduates from the focused schools	102 schools focused on mathematics and science during 2005

Programme 5: Quality Promotion and Development

Quality Promotion and Development provides leadership for the development of policy and special education programmes in support of quality education across the system.

There are three subprogrammes:

- *Quality Promotion and Assurance* includes the monitoring, evaluating and reporting on the performance of the education system.
- *HIV and Aids and School Nutrition* manages the development and implementation of policies on overall wellness of educators and learners, including HIV and Aids, and managing and monitoring the implementation of the national school nutrition programme.
- *Special Programmes in Education* develops policies and programmes to promote gender equity, non-racialism, values in education, as well as access and participation in sports, recreation, arts and culture.

Expenditure estimates

Table 15.7: Quality Promotion and Development

Subprogramme	Expenditure outcome			Adjusted appropriation	Medium-term expenditure estimate		
	Audited	Audited	Preliminary outcome		2005/06	2006/07	2007/08
R thousand	2001/02	2002/03	2003/04	2004/05			
Quality Promotion and Assurance	10 116	5 665	4 843	12 972	9 273	10 209	10 654
HIV and Aids and School Nutrition	512 627	521 666	715 740	847 960	928 542	1 114 876	1 170 255
Special Programmes in Education	3 451	8 510	12 533	27 811	15 989	16 716	17 267
Total	526 194	535 841	733 116	888 743	953 804	1 141 801	1 198 176
Change to 2004 Budget estimate				16 284	4 463	5 299	4 849

R thousand	Expenditure outcome			Adjusted appropriation	Medium-term expenditure estimate		
	Audited	Audited	Preliminary outcome				
	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08
Economic classification							
Current payments	13 499	14 289	20 854	55 379	40 998	43 272	44 738
Compensation of employees	6 928	6 984	9 086	22 146	22 985	24 535	25 254
Goods and services	6 571	7 305	11 768	33 233	18 013	18 737	19 484
<i>of which:</i>							
Travel and subsistence	3 148	3 400	5 844	2 463	8 487	9 385	9 937
Consultants and contractors	106	958	428	10 771	4 677	4 921	4 935
Printing and publications	1 900	1 685	4 115	2 120	1 531	1 322	1 333
Transfers and subsidies to:	512 541	521 342	711 647	832 256	912 196	1 098 081	1 152 983
Provinces and municipalities	512 541	521 342	711 647	832 256	912 196	1 098 081	1 152 983
Payments for capital assets	154	210	615	1 108	610	448	455
Machinery and equipment	154	210	615	1 108	610	448	455
Total	526 194	535 841	733 116	888 743	953 804	1 141 801	1 198 176

Details of transfers and subsidies:

Provinces and municipalities							
Provinces							
Provincial revenue funds							
Current	512 520	521 322	711 620	832 200	912 151	1 098 036	1 152 938
National School Nutrition Programme Grant	512 520	521 322	711 620	832 200	912 151	1 098 036	1 152 938
Municipalities							
Municipal bank accounts							
Current	21	20	27	56	45	45	45
Regional Service Council Levies	21	20	27	56	45	45	45
Total provinces and municipalities	512 541	521 342	711 647	832 256	912 196	1 098 081	1 152 983

Expenditure trends

Expenditure is almost entirely made up of transfers to provinces for the national school nutrition programme, as a conditional grant in terms of the Division of Revenue Act. Expenditure is expected to continue to grow strongly, rising from R888,7 million in 2004/05 to R1,2 billion in 2007/08, an annual average increase of 10,5 per cent.

The increase in expenditure on compensation of employees in 2004/05 is mainly due to the department's takeover of the management and monitoring of the national school nutrition programme from the Department of Health. The relatively high level of expenditure of the *Special Programmes in Education* subprogramme in 2004/05 is a result of expenditure incurred for the tenth anniversary of democracy.

Service delivery objectives and indicators

Recent outputs

Whole-school evaluation policy and systemic evaluation

Whole-school evaluation materials were refined, in line with the integrated quality management system, and completed in June 2004. But an Education Labour Relations Council collective agreement in 2003 stipulates that all teachers must be trained before any lesson observation can be conducted. Provincial training teams are conducting the training, which will be completed by the end of 2005. As a result, no whole-school evaluations have been conducted yet.

During September 2004, systemic evaluation instruments were finalised, printed and dispatched to provinces in preparation for data collection in 1 000 sampled schools. The coding, scoring and analysis of the data from the Grade 6 survey is in process, as part of the systemic evaluation.

National school nutrition programme

During 2004, meals were served to 6,8 million of the poorest learners at 15 000 schools across the country. Approved menus were followed, but pockets of non-compliance with quality and feeding time have been identified. The food safety standards have not been complied with fully, as the majority of targeted schools have no food preparation shelters and the safety of the water used cannot be guaranteed at all schools. This is receiving urgent attention as part of the school infrastructure programme.

Special programmes in education

The Council of Education Ministers approved a strategy on racial integration for schools experiencing difficulties with this. The strategy will be supported by a whole-school development project, to be piloted in 20 schools in Mpumalanga and the Western Cape.

During 2004, baseline information was collected. Workshops for the utilisation of the Signposts for Safe Schools Workbook took place in all nine provinces, policy guidelines on substance abuse prevention and management have been changed.

Selected medium-term output targets

Quality Promotion and Development

Measurable objective: Improve education by developing and implementing programmes that address socio-economic risk, including school nutrition, HIV and Aids, race and gender equity, values in education, and quality assurance programmes.

Subprogramme	Output	Measure/Indicator	Target
Quality Promotion and Assurance	Whole-school evaluation (WSE) policy implemented in all schools	Support teams of underperforming schools to help schools implement WSE	WSE conducted in 10% of under performing schools by December 2005.
	Systemic evaluation for grades 3, 6 and 9	Progress made with grades 3, 6 and 9 systemic evaluation	Systemic evaluation pilot study at Grade 9 level conducted by September 2005 Conceptualisation and framework for national assessment at Grade 3 level by March 2006

Subprogramme	Output	Measure/Indicator	Target
HIV and Aids and School Nutrition	Sustainable school nutrition for poorest learners nationally	Number of targeted schools serving meals according to approved menus and food safety standards Number of functional school gardens	15 000 schools targeted 10 gardens per province by March 2006
Special Programmes in Education	All institutions reflect and uphold the principles of human rights and human dignity	Increase in the participation in sport, especially by girls, and a decrease in the incidences of racial and gender discrimination and violence	30% increase in participation and a 30% decrease in incidences by March 2006

Programme 6: Higher Education

Higher Education provides strategic direction and develops policy and regulatory frameworks for an effective and efficient higher education system that contributes to fulfilling the human resources, research and knowledge needs of South Africa.

There are two subprogrammes:

- *Higher Education Planning and Management* provides management support services to the higher education system and is responsible for managing government transfers and subsidies to higher education institutions and agencies.
- *Higher Education Policy* is responsible registering private higher education institutions and liaising with constituencies in higher education.

Expenditure estimates

Table 15.8: Higher Education

Subprogramme	Expenditure outcome				Medium-term expenditure estimate		
	Audited	Audited	Preliminary	Adjusted			
R thousand	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08
Higher Education Planning and Management	7 539 434	8 039 246	8 947 069	9 901 312	10 801 778	11 444 987	12 160 738
Higher Education Policy	3 909	4 231	5 498	7 209	7 786	8 248	8 603
Total	7 543 343	8 043 477	8 952 567	9 908 521	10 809 564	11 453 235	12 169 341
Change to 2004 Budget estimate				(24)	225 782	199 836	353 272
Economic classification							
Current payments	9 643	10 429	12 170	17 008	17 192	18 048	18 794
Compensation of employees	5 594	7 466	9 444	12 433	12 871	13 632	14 179
Goods and services	4 049	2 959	2 726	4 575	4 321	4 416	4 615
of which:							
Travel and subsistence	2 228	855	1 203	1 729	1 950	2 048	2 107
Transfers and subsidies to:	7 533 587	8 032 828	8 939 858	9 891 272	10 792 021	11 434 796	12 150 134
Provinces and municipalities	17	21	26	34	37	38	38
Departmental agencies and accounts	453 979	511 018	564 806	589 080	890 740	954 280	1 141 994
Universities and technikons	7 078 591	7 520 276	8 373 458	9 300 504	9 899 491	10 478 620	11 006 151
Foreign governments and international organisations	1 000	1 513	1 568	1 654	1 753	1 858	1 951
Payments for capital assets	113	220	539	241	351	391	413
Machinery and equipment	113	220	539	241	351	391	413
Total	7 543 343	8 043 477	8 952 567	9 908 521	10 809 564	11 453 235	12 169 341

	Expenditure outcome			Adjusted appropriation	Medium-term expenditure estimate		
	Audited	Audited	Preliminary outcome		2005/06	2006/07	2007/08
R thousand	2001/02	2002/03	2003/04	2004/05			
Details of transfers and subsidies:							
Departmental agencies and accounts							
Current	453 979	511 018	564 806	589 080	890 740	954 280	1 141 994
National Student Financial Aid Scheme	449 979	500 132	544 893	578 200	864 092	926 378	1 112 697
Council on Higher Education	4 000	10 886	19 913	10 880	26 648	27 902	29 297
Total departmental agencies and accounts	453 979	511 018	564 806	589 080	890 740	954 280	1 141 994
Universities and technikons							
Current	6 880 681	7 343 499	8 204 862	9 163 504	9 769 598	10 353 884	10 886 367
Higher Education Institutions	6 880 681	7 343 499	8 204 862	9 163 504	9 769 598	10 353 884	10 886 367
Capital	197 910	176 777	168 596	137 000	129 893	124 736	119 784
Higher Education Institutions	197 910	176 777	168 596	137 000	129 893	124 736	119 784
Total universities and technikons	7 078 591	7 520 276	8 373 458	9 300 504	9 899 491	10 478 620	11 006 151
Foreign governments and international organisations							
Current	1 000	1 513	1 568	1 654	1 753	1 858	1 951
Fulbright Commission	1 000	1 513	1 568	1 654	1 753	1 858	1 951
Total foreign governments and international organisations	1 000	1 513	1 568	1 654	1 753	1 858	1 951

Expenditure trends

Almost all the expenditure consists of transfer payments, with most of these payments going to higher education institutions. The remainder of the transfer payments goes almost entirely to the National Student Financial Aid Scheme (NSFAS). Expenditure is expected to continue to grow steadily in real terms, at an annual average rate of 7,1 per cent over the period 2004/05 to 2007/08. Over the last four years, transfers to universities and technikons accounted for most of the increase in expenditure. However, over the next three years the NSFAS will receive a sizeable share of the increase in spending. Allocations to NSFAS grow by nearly 24 per cent per year and transfers to universities and technikons grow by just less than 6 per cent per year.

The 2005 Budget makes additional allocations of R226 million in 2005/06, R200 million in 2006/07 and R350 million in 2007/08 to NSFAS.

Service delivery objectives and indicators

Recent outputs

Restructuring

The restructuring of the higher education institutional landscape, when completed in 2005, will result in the consolidation of 36 institutions into 22. Four mergers took place on 1 January 2005. The merger between UNITRA, Border Technikon and Eastern Cape Technikon was postponed, and should proceed in July 2005. The merger of the Durban Institute of Technology (DIT) and Mangosutu Technikon has also been postponed to allow the DIT to stabilise governance and financial resourcing matters. More detailed planning will be conducted during 2005 for setting up the national institutes for higher education in the Northern Cape and Mpumalanga.

The Council on Higher Education has been requested to advise on the regional rationalisation of programmes that are costly and under-subscribed or that require specialised expertise, and the process will be completed in the course of 2005.

Participation rate in higher education

The participation rate in higher education, based on 2003 data, increased from 17 per cent to 18 per cent. The present target is a 20 per cent participation rate by 2012.

Promote staff and student equity

Institutions not affected by the restructuring process have submitted equity plans, which will be monitored over the next three years.

Goal-oriented and performance-based funding

The new funding framework for higher education institutions will be implemented in April 2005, with an increased focus on the number of graduates and research outputs. The new formula is being phased in over three years to ensure stability.

Student financial aid

The annual government contribution to financial aid for eligible students at higher education institutions is administered by the National Student Financial Aid Scheme (NSFAS). The ongoing achievements of the NSFAS represent a major success in terms of government's redress agenda. It is also an example of best practice in promoting access to higher education for previously disadvantaged students. Student awards are made on the basis of a means test, not made on the basis of race. Since 1996, 683 431 awards have been made in the form of loans. The awards were made to 627 094 African students, 24 962 coloured students, 17 881 white students and 13 494 Indian students. A portion of a student's loan (up to a maximum of 40 per cent annually) can be converted into a bursary, subject to the student's academic performance. The recovery rate of loan repayments increased from as little as 3,7 per cent in 1997/98 to above 10 per cent in 2003/04. Total recoveries for 2003/04 amounted to R208 million, which is reinjected into the scheme.

Higher education policy

Comments have been received on the new qualifications framework for higher education. The policy will be finalised in 2005, for implementation in 2006. The policy on measuring and rewarding institutions' research outputs was implemented in January 2005.

Selected medium-term output targets

Higher Education

Measurable objective: Improve the access, efficiency and outputs of the higher education system through governance, planning, monitoring, and financing frameworks.

Subprogramme	Output	Measure/Indicator	Target
Higher Education Planning and Management	Restructuring of the higher education system to ensure affordability and sustainability	Development of national and institutional 3-year enrolment plans from 2006 to 2009	Agreed enrolment plan per institution in place by July 2005
	Graduates to meet human resources and knowledge needs	Increase in the participation rate	20% participation rate before 2012

Subprogramme	Output	Measure/Indicator	Target
Higher Education Policy	Revised policy for evaluation of research outputs for the creative and performing arts	Improved evaluation policy for the Creative and Performing Arts	Revised policy by July 2006
	Investigative study of the nature, form and extent of South African higher education institutions operating outside South Africa	Database on the identified institutions	December 2006

Programme 7: Auxiliary and Associated Services

Auxiliary and Associated Services co-ordinates and promotes effective communication, liaison, international relations, and national and provincial co-operative governance in education.

There are three subprogrammes:

- *Media Liaison and National and Provincial Communication* provides and promotes effective communication in the department and at provincial level and ensures efficient and effective implementation of the department's communication strategies.
- *International Relations and UNESCO* develops, promotes and cultivates international relations and support UNESCO in the education sector.
- *National Co-ordination and Support* co-ordinates support to provincial education departments in the management, organisational and aspects of corporate services and promotes ongoing liaison and professional education information sharing with provinces.

Expenditure estimates

Table 15.9: Auxiliary and Associated services

Subprogramme	Expenditure outcome				Medium-term expenditure estimate		
	Audited	Audited	Preliminary	Adjusted			
R thousand	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08
Media Liaison and National and Provincial Communication	5 821	5 037	4 603	7 742	10 707	11 427	12 153
International Relations and UNESCO	17 856	16 536	19 642	9 658	14 356	15 727	16 817
National Co-ordination and Support	29 456	16 964	8 076	5 050	6 460	7 259	7 570
Total	53 133	38 537	32 321	22 450	31 523	34 413	36 540
Change to 2004 Budget estimate				(10 350)	(5 794)	(6 127)	(6 027)

Economic classification

Current payments	38 270	25 960	19 914	19 440	22 935	25 212	26 578
Compensation of employees	7 211	6 634	7 964	12 200	14 204	15 043	15 648
Goods and services	31 052	19 326	11 950	7 240	8 731	10 169	10 930
of which:							
Travel and subsistence	1 669	2 224	4 889	1 248	2 754	3 560	3 867
Consultants and contractors	26 805	13 718	4 606	1 127	824	754	868
Printing and publications	1 364	693	1 138	1 048	983	1 286	1 272
Financial transactions in assets and liabilities	7	–	–	–	–	–	–
Transfers and subsidies to:	14 661	12 362	11 932	2 547	8 251	8 971	9 763
Provinces and municipalities	21	18	22	37	41	42	42
Foreign governments and international organizations	14 640	12 344	11 910	2 510	8 210	8 929	9 721

	Expenditure outcome			Adjusted appropriation	Medium-term expenditure estimate		
	Audited	Audited	Preliminary outcome		2005/06	2006/07	2007/08
R thousand	2001/02	2002/03	2003/04	2004/05			
Payments for capital assets	202	215	475	463	337	230	199
Machinery and equipment	202	215	475	463	337	230	199
Total	53 133	38 537	32 321	22 450	31 523	34 413	36 540

Details of transfers and subsidies:

Foreign governments and international organizations							
Current	14 640	12 344	11 910	2 510	8 210	8 929	9 721
UNESCO (United Nations for Educational Scientific Cultural Organisation)	14 640	11 844	10 910	2 500	7 200	7 919	8 711
Commonwealth of Learning	–	500	1 000	–	1 000	1 000	1 000
Association for the Development of Education in Africa	–	–	–	10	10	10	10
Total foreign governments and international organisations	14 640	12 344	11 910	2 510	8 210	8 929	9 721

Expenditure trends

The payment of South Africa's membership fee to the United Nations Educational, Scientific and Cultural Organisation (UNESCO) is the responsibility of the department and funded through the programme. Expenditure fell in 2004/05 due to the decrease in the cost of the annual membership fee of UNESCO, due to exchange rate movements and the USA joining UNESCO as a new member country and therefore contributing substantially.

Service delivery objectives and indicators

Recent outputs

Communication

The department provided publicity, media liaison and branding support for athletic events and festivals for the Ten Years of Freedom celebrations. Publicity and promotional material celebrating the 10 years of democracy, namely advertisements on achievements and promotional items, were distributed.

There is regular engagement with provincial communicators to ensure uniformity and continuity across the education system. In 2004, the department has embarked on road-shows to three provinces as part of the National Curriculum Statement Advocacy campaign. Together with provincial communication units, the department also participated in the South African Broadcasting Corporation's careers exhibitions in four provinces.

International and African collaboration

During 2004, the department continued to increase its engagement with a number of countries. South-south relations are being fostered, including an anticipated engagement in the Caribbean. Service agreements with donors on various projects and with the EU on the schools infrastructure programme were signed during 2004.

In 2004, the department attracted local and international interns to support the UNESCO national commission to integrate UNESCO activities in the department, NGOs and civil society. Work has been done to create better alignment between the programmes of UNESCO and government departments. Discussions with departments on the capacity of and support for commission activities were initiated, and models for the effective functioning of the commission have been proposed. A quarterly associated schools project network (ASPnet) bulletin has been developed and is being distributed to schools.

Interactions with provinces

Since the beginning of 2004, the department has been focusing on monitoring corporate services functions in provincial education departments, sharing best practices, and developing and sharing guidelines for heads of departments and corporate services. Individual guidelines on discipline and human resources have been published and distributed to provinces.

Selected medium-term output targets

Auxiliary and Associated Services

Measurable objective: Enhance effective communication, liaison, international relations, and national and provincial co-operative governance in education by providing timely and relevant information and support.

Subprogramme	Output	Measure/Indicator	Target
Media Liaison and National and Provincial Communication	Co-ordinated, cohesive and effective communication in the education sector, particularly around the national curriculum statement) (grades 10 to 12 advocacy campaign	A comprehensive communication plan integrated into the overall communication strategy	Communication plan completed by December 2005
International Relations and UNESCO	Alignment of UNESCO programmes with government priorities	Number of successfully aligned programmes	5 programmes aligned by December 2005
National Co-ordination and Support	Monitoring the administrative performance of education departments and public entities as mandated, and providing advice and assistance and sharing best practices A customer care centre linked to provincial education departments, minimising undue delays in responding to public queries	Survey of the performance management systems at provincial education departments	February 2006
		Functional customer care centre	March 2006

Public entities reporting to the minister

Council on Higher Education

The Council on Higher Education (CHE) was established in terms of the Higher Education Act (1997). It is responsible for:

- advising the minister on higher education matters, including new funding arrangements, language policy and the appropriate structure for the higher education system
- designing and implementing a system for quality assurance in higher education
- promoting students' access to higher education.

The council also publishes an annual report on the state of higher education for submission to Parliament and convenes an annual summit of higher education stakeholders.

During 2004, a research report was published on distance education and governance of higher education institutions. The CHE's permanent subcommittee, the Higher Education Quality Committee (HEQC), managed accreditation activities of at least nine agricultural colleges

(offering higher education programmes) and the Polytechnic of Namibia, at its request. The Polytechnic of Namibia was visited and three programmes were evaluated. The HEQC also initiated and funded a project to develop generic level descriptors for the national qualifications framework level 5 qualifications.

In 2005, the CHE will advise the minister on building the responsiveness of higher education to the graduate and knowledge needs of the private and public sectors, and on general agreement on trade in services (GATS) in higher education. Research reports will be launched on the nomenclature of institutions and GATS. The HEQC will pilot and implement a new programme accreditation system, and consultatively develop and implement criteria and standards for the national review and re-accreditation of education and teacher education programmes. The HEQC will also publish learning and teaching resources, unfold a student quality literacy initiative, and continue with the training of auditors and evaluators.

Amounts of R26,6 million in 2005/06, R27,9 million in 2006/07 and R29,3 million in 2007/08 will be transferred to the CHE. Other revenue comprises donor funds received and interest on investments. The increase in the transfer from 2005/06 is for the new executive responsibility for quality assurance and quality promotion by HEQC, which explains the increased trends in the compensation of employees and goods and services.

Table 15.10: Financial summary for the Council on Higher Education (CHE)

	Outcome			Estimated outcome	Medium-term estimate		
	Audited	Audited	Audited		2005/06	2006/07	2007/08
R thousand	2001/02	2002/03	2003/04	2004/05			
INCOME STATEMENT SUMMARY							
Revenue							
Non-tax revenue	6 611	9 820	8 097	8 758	9 871	6 845	5 817
Interest	519	1 399	1 248	811	1 373	300	-
Other non-tax revenue	6 092	8 421	6 849	7 947	8 498	6 545	5 817
Transfers received	4 000	10 886	15 571	15 280	26 648	27 902	29 297
Total revenue	10 611	20 706	23 669	24 038	36 519	34 747	35 114
Expenses							
Current expense	8 426	16 511	19 055	11 990	35 262	37 579	39 834
Compensation of employees	3 564	6 071	7 373	5 156	14 171	15 021	16 611
Goods and services	4 790	10 239	11 428	6 534	20 731	22 126	22 748
Depreciation	72	201	255	300	360	432	475
Total expenses	8 426	16 511	19 055	11 990	35 262	37 579	39 834
Surplus / (Deficit)	2 185	4 195	4 613	12 048	1 257	(2 833)	(4 720)

Data provided by the Council on Higher Education

Education Labour Relations Council

The Education Labour Relations Council (ELRC) is a statutory bargaining council in the public education sector established in terms of the Labour Relations Act (1995). It is responsible for negotiating agreements on matters of mutual interest and settling disputes between parties in the council. It also analyses South African education, and keeps abreast of international developments and trends.

The council does not receive transfers from the department, but earns revenue through levies on employees and employers, and interest on investments.

General and Further Education and Training Quality Assurance Council

Umalusi was established in terms of the General and Further Education and Training Quality Assurance Act (2001). The major functions of Umalusi include: monitoring the suitability and adequacy of standards and qualifications and assuring the quality of learner assessments at exit points; promoting quality improvement among providers.

During 2004, a total of 2 542 question papers were moderated for the November 2004 matriculation examinations. Umalusi expressed its satisfaction with the standard of the question papers moderated. Twenty-one monitors were appointed to monitor the Senior Certificate, Vocational Education and Training and Adult Education and Training examinations. Furthermore, a research project on the evaluation of the standard of the Senior Certificate examination, an investigation into the statistical moderation thereof and compensatory measures for English second language candidates were completed.

Amounts of R7,7 million in 2005/06, R5,9 million in 2006/07 and R6,2 million in 2007/08 will be transferred to the Council. Other revenue sources include fees charged for issuing certificates, fees and accreditation of service providers, and interest on investments. Allowance has been made for an inflationary growth in expenses in line with historic expenditure.

Table 15.11: Financial summary for Umalusi Council of Quality Assurance and Further Education and Training

	Outcome			Estimated outcome	Medium-term estimate		
	Audited	Audited	Audited		2004/05	2005/06	2006/07
R thousand	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08
INCOME STATEMENT SUMMARY							
Revenue							
Non-tax revenue	7 028	7 855	11 791	11 627	17 509	21 835	27 286
Admin fees	5 414	6 595	10 732	11 227	17 049	21 306	26 677
Interest	1 614	1 212	1 058	400	460	529	608
Other non-tax revenue	–	49	–	–	–	–	–
Transfers received	–	5 902	6 286	9 265	7 690	7 680	7 918
Total revenue	7 028	13 758	18 077	20 893	25 199	29 514	35 204
Expenses							
Current expense	9 908	14 448	15 706	20 893	25 199	29 514	35 204
Compensation of employees	3 641	5 274	6 152	8 315	10 000	11 902	13 687
Goods and services	6 001	8 777	9 151	11 969	14 252	16 730	20 572
Depreciation	266	397	403	609	947	883	945
Total expenses	9 908	14 448	15 706	20 893	25 199	29 514	35 204
Surplus / (Deficit)	(2 881)	(690)	2 371	–	–	–	–

Data provided by Umalusi

National Student Financial Aid Scheme

The National Student Financial Aid Scheme (NSFAS) was established in terms of the National Student Financial Aid Scheme Act (1999). It is responsible for administering and allocating loans and bursaries to eligible students; developing criteria and conditions for granting loans and bursaries in consultation with the Minister; raising funds; recovering loans; maintaining and analysing a database and undertaking research for better utilisation of financial resources. The NSFAS also advises the Minister on student financial aid.

The performance of the NSFAS is discussed in greater detail under Programme 6: *Higher Education*. To date, the institution has managed to increase the number of awards and students on an annual basis. The recovery of loans is improving steadily and in September 2004, the monthly recoveries exceeded an amount of R18 million for the first time. One of the key challenges of the

NSFAS remains the level at which students are assisted compared to the average student fees payable.

Amounts of R864,1 million will be transferred to NSFAS in 2005/06, R926,4 million in 2006/07 and R1,1 billion in 2007/08 from the department. Other revenue of the NSFAS comprises of donor funds transferred to the entity and the repayment of study loans. Interest on investments is also received.

Table 15.12: Financial summary for the National Students Financial Aid Scheme (NSFAS)

	Outcome			Estimated outcome	Medium-term estimate		
	Audited	Audited	Audited		2005/06	2006/07	2007/08
R thousand	2001/02	2002/03	2003/04	2004/05			
INCOME STATEMENT SUMMARY							
Revenue							
Non-tax revenue	156 782	216 322	372 979	397 845	465 050	553 626	661 751
Interest	29 363	60 474	164 334	143 000	157 000	172 000	188 000
Other non-tax revenue	127 419	155 848	208 645	254 845	308 050	381 626	473 751
Transfers received	510 244	591 562	719 116	716 532	953 332	1 024 557	1 220 130
Sale of capital assets	-	7	393	2	2	2	2
Total revenue	667 026	807 891	1 092 488	1 114 379	1 418 384	1 578 185	1 881 883
Expenses							
Current expense	463 291	566 928	745 907	720 217	914 287	987 833	1 156 535
Compensation of employees	4 139	5 597	6 326	9 196	11 441	13 808	16 032
Goods and services	458 256	560 344	738 884	710 371	902 171	973 325	1 139 778
Depreciation	896	987	697	650	675	700	725
Transfers and subsidies	182 598	211 290	252 653	269 424	342 378	368 376	433 026
Total expenses	645 889	778 218	998 560	989 641	1 256 665	1 356 209	1 589 561
Surplus / (Deficit)	21 137	29 673	93 928	124 738	161 719	221 976	292 322
BALANCE SHEET SUMMARY							
Carrying value of assets	1 677	1 879	5 826	6 268	6 770	7 119	7 473
<i>of which: Acquisition of assets</i>	583	1 193	5 450	953	740	1 212	1 350
Long term investments	2 019 908	2 509 676	2 327 475	2 727 597	3 301 206	3 908 519	4 631 190
Receivables and prepayments	15 421	27 146	29 512	30 250	25 250	20 250	20 250
Cash and cash equivalents	113	443	29	25	25	25	25
Total assets	2 037 119	2 539 144	2 362 842	2 764 140	3 333 251	3 935 913	4 658 938
Capital and reserves	2 030 076	2 432 113	2 327 983	2 732 790	3 306 401	3 908 553	4 631 078
Borrowings	11	433	4	-	-	-	-
Trade and other payables	6 916	106 441	34 533	31 000	26 500	27 000	27 500
Provisions	116	157	322	350	350	360	360
Total equity and liabilities	2 037 119	2 539 144	2 362 842	2 764 140	3 333 251	3 935 913	4 658 938

Data provided by the National Students Financial Aid Scheme

South African Council for Educators

The South African Council for Educators (SACE) was established in terms of the South African Council for Educators Act (2000). It is responsible for the registration, promotion and professional development of educators, and for setting, maintaining and protecting their ethical and professional standards.

During 2004, an outreach project was embarked on to register educators in the Eastern Cape. Nine areas (major towns) were covered. This campaign yielded 2 027 registrations with SACE. A publication to celebrate World Teachers' Day, which contains six articles written by experts on quality education/educators, teacher recruitment and retention, was developed in 2004. Furthermore, SACE implemented the professional development portfolio project for 78 educators for the first time in the Free State.

The council does not receive funds from the department, and relies on membership fees from educators and interest on investments.

South African Qualifications Authority

The South African Qualifications Authority (SAQA) is a statutory body established in terms of the South African Qualifications Authority Act (1995). SAQA focuses on ensuring access, quality, redress and development for all learners through an integrated national framework of learning achievements, and has three main deliverables: the registration of qualifications and standards on the national qualifications framework, the establishment of a system-wide quality assurance system, and the establishment of a national learners' record database.

During 2004, joint implementation plans were implemented to facilitate the funding of standards-generation activities and to ensure the registration of standards and qualifications that are required in the system. A research report on an analysis of higher education data was finalised during 2004. Quality audits of education and training quality assurance forums (ETQAs) were completed and the reports on disclosure of non-compliance and development plans of ETQAs are being monitored for progress. Guideline documents for curriculum, development of materials and integrated assessment were also finalised in 2004.

In 2005, SAQA will continue to develop and register standards and qualifications, audit and monitor the activities of ETQA's and the national learners' record database (NLRD) will continue to be populated with learner achievements. More cross-sectional and other research reports will be produced from the data contained in the NLRD. SAQA will continue to research and report on international developments of qualifications frameworks as well as to issue guidelines to assist with the implementation of the NQF in South Africa.

Amounts of R32,1 million in 2005/06, R34,0 million in 2006/07 and R35,7 million in 2007/08, will be transferred to SAQA from the department. Other revenue comprises donor funds, fees charged for processing private higher education institutions' applications, and interest on investments.

Table 15.13: Financial summary for the South African Qualifications Authority (SAQA)

	Outcome			Estimated outcome	Medium-term estimate		
	Audited	Audited	Audited		2005/06	2006/07	2007/08
R thousand	2001/02	2002/03	2003/04	2004/05			
INCOME STATEMENT SUMMARY							
Revenue							
Non-tax revenue	1 105	1 690	4 346	3 373	5 614	5 871	6 087
Admin fees	950	1 301	3 854	2 923	5 134	5 391	5 607
Interest	155	389	492	450	480	480	480
Transfers received	56 851	39 090	36 040	44 673	43 698	43 541	44 808
Sale of capital assets	-	18	-	-	-	-	-
Total revenue	57 956	40 798	40 386	48 046	49 312	49 412	50 895
Expenses							
Current expense	30 937	35 828	37 993	46 370	48 553	50 553	51 891
Compensation of employees	9 726	12 216	14 311	15 627	18 179	18 906	19 473
Goods and services	20 274	18 877	18 813	25 594	25 310	26 322	27 112
Depreciation	937	4 735	4 869	5 149	5 064	5 325	5 306
Transfers and subsidies	2 035	2 567	2 793	3 580	4 023	4 184	4 310
Total expenses	32 972	38 395	40 786	49 950	52 576	54 737	56 201
Surplus / (Deficit)	24 984	2 403	(400)	(1 904)	(3 264)	(5 325)	(5 306)

Data provided by the South African Qualifications Authority

Annexure

Vote 15: Education

Table 15.A: Summary of expenditure trends and estimates per programme and economic classification

Table 15.B: Summary of personnel numbers and compensation of employees per programme

Table 15.C: Summary of expenditure on training per programme

Table 15.D: Summary of information and communications technology expenditure per programme

Table 15.E: Summary of conditional grants and indirect grants to provinces and local government

Table 15.F: Summary of official development assistance expenditure

Table 15.G: Summary of expenditure on infrastructure

Table 15.H: Summary of departmental public-private partnership projects

Table 15.I: Summary of financial assistance to higher education institutions, 2004/05

Table 15.J: Summary of financial assistance to higher education institutions, 2005/06

Table 15.A: Summary of expenditure trends and estimates per programme and economic classification

Programme	Appropriation		Preliminary outcome	Appropriation			Revised estimate
	Main	Adjusted		Main	Additional	Adjusted	
R thousand	2003/04			2004/05			
1. Administration	77 817	82 275	70 889	97 072	(2 897)	94 175	94 175
2. Planning and Monitoring	331 892	304 687	272 039	36 790	23 501	60 291	60 291
3. General Education	352 088	378 615	372 078	217 677	29 807	247 484	247 484
4. Further Education and Training	111 012	111 799	110 434	179 614	3 817	183 431	173 431
5. Quality Promotion and Development	731 052	741 603	733 116	872 459	16 284	888 743	888 743
6. Higher Education	8 954 500	8 954 424	8 952 567	9 908 545	(24)	9 908 521	9 908 521
7. Auxiliary and Associated Services	36 099	32 805	32 321	32 800	(10 350)	22 450	22 450
Total	10 594 460	10 606 208	10 543 444	11 344 957	60 138	11 405 095	11 395 095
Economic classification							
Current payments	409 262	419 225	352 262	443 333	37 590	480 923	469 923
Compensation of employees	159 336	174 676	160 979	199 084	13 749	212 833	212 833
Goods and services	249 926	244 549	179 987	244 249	23 841	268 090	257 090
Financial transactions in assets and liabilities	–	–	11 296	–	–	–	–
Transfers and subsidies	10 129 485	10 138 910	10 143 255	10 896 351	17 139	10 913 490	10 914 490
Provinces	1 154 508	1 165 655	1 143 972	960 779	29 725	990 504	990 504
Municipalities	246	439	420	498	98	596	596
Departmental agencies and accounts	570 923	572 344	606 827	617 816	(194)	617 622	617 622
Universities and technikons	8 380 752	8 380 752	8 373 458	9 300 504	–	9 300 504	9 300 504
Foreign governments and international organisations	16 488	13 152	13 578	16 754	(12 490)	4 264	5 264
Non-profit institutions	6 568	6 568	5 000	–	–	–	–
Payments for capital assets	55 713	48 073	47 927	5 273	5 409	10 682	10 682
Buildings and other fixed structures	52 495	43 403	42 596	–	–	–	–
<i>Buildings</i>	52 495	43 403	42 596	–	–	–	–
Machinery and equipment	3 218	4 670	5 331	5 273	5 409	10 682	10 682
<i>Other machinery and equipment</i>	3 218	4 670	5 331	5 273	5 409	10 682	10 682
Total	10 594 460	10 606 208	10 543 444	11 344 957	60 138	11 405 095	11 395 095

Table 15.B: Summary of personnel numbers and compensation of employees per programme¹

Programme	2001/02	2002/03	2003/04	2004/05	2005/06
1. Administration	281	282	294	296	296
2. Planning and Monitoring	62	62	62	77	77
3. General Education	80	75	83	76	76
4. Further Education and Training	212	216	227	248	248
5. Quality Promotion and Development	46	56	59	86	86
6. Higher Education	62	53	56	56	56
7. Auxiliary and Associated Services	36	46	37	57	57
Total	779	790	818	896	896
Total personnel cost (R thousand)	110 455	135 437	160 979	212 833	205 511
Unit cost (R thousand)	142	171	197	238	229

¹ Budgeted full-time equivalent

Table 15.C: Summary of expenditure on training per programme

R thousand	Expenditure outcome			Adjusted appropriation	Medium-term expenditure estimate		
	Audited	Audited	Preliminary outcome		2005/06	2006/07	2007/08
	2001/02	2002/03	2003/04				
1. Administration	60	42	325	393	711	730	757
2. Planning and Monitoring	3	11	53	141	100	114	116
3. General Education	1 166	1 197	11 489	10 150	7 814	9 265	10 495
4. Further Education and Training	–	–	156	226	302	312	331
5. Quality Promotion and Development	–	13	176	920	805	776	825
6. Higher Education	–	–	20	–	–	–	–
7. Auxiliary and Associated Services	11	2	199	89	29	35	36
Total	1 240	1 265	12 418	11 919	9 761	11 232	12 560

Table 15.D: Summary of information and communications technology expenditure per programme

R thousand	Expenditure outcome			Adjusted appropriation	Medium-term expenditure estimate		
	Audited	Audited	Preliminary outcome		2005/06	2006/07	2007/08
	2001/02	2002/03	2003/04				
1. Administration	3 498	4 519	5 173	6 506	5 040	5 436	5 740
Technology	846	1 267	1 440	2 619	778	831	850
IT services	2 652	3 252	3 733	3 887	4 262	4 605	4 890
2. Planning and Monitoring	478	374	509	225	9 842	12 465	21 452
Technology	300	374	509	225	1 079	714	963
IT services	178	–	–	–	8 763	11 751	20 489
3. General Education	599	1 133	504	447	437	464	420
Technology	599	1 126	504	447	357	379	335
IT services	–	7	–	–	80	85	85
4. Further Education and Training	4 665	4 755	4 437	4 823	18 513	19 775	16 422
Technology	526	693	1 214	1 071	1 376	1 308	1 150
IT services	4 139	4 062	3 223	3 752	17 137	18 467	15 272
5. Quality Promotion and Development	155	210	524	551	669	518	536
Technology	154	210	524	551	610	448	455
IT services	1	–	–	–	59	70	81
6. Higher Education	113	375	417	186	851	791	813
Technology	113	220	404	186	351	391	413
IT services	–	155	13	–	500	400	400
7. Auxiliary and Associated Services	217	215	75	185	383	258	228
Technology	202	215	75	174	337	230	199
IT services	15	–	–	11	46	28	29
Total	9 725	11 581	11 639	12 923	35 735	39 707	45 611

Table 15.E: Summary of conditional grants and indirect grants to provinces and local government (municipalities)¹

R thousand	Expenditure outcome				Adjusted appropriation	Medium-term expenditure estimate		
	Audited	Audited	Preliminary	2004/05		2005/06	2006/07	2007/08
	2001/02	2002/03	outcome					
Conditional grants to provinces								
2. Planning and Monitoring								
Budget Monitoring and Support								
Financial Management and Quality Enhancement in Education	213 000	228 320	212 731	21 683	-	-	-	
3. General Education								
Curriculum Development and Assessment (GET)								
HIV and Aids (Life Skills Education) Grant	62 896	133 458	131 621	134 151	136 293	144 471	151 695	
3. General Education								
Curriculum Development and Assessment (GET)								
Early Childhood Development	21 000	53 000	85 530	2 470	-	-	-	
4. Further Education and Training								
Curriculum Development and Assessment (FET)								
Further Education and Training College Sector Recapitalisation Grant	-	-	-	-	-	500 000	500 000	
5. Quality Promotion and Development								
HIV and AIDS and School Nutrition								
National School Nutrition Programme Grant	512 520	521 322	711 620	832 200	912 151	1 098 036	1 152 938	
Total	809 416	936 100	1 135 930	990 504	1 048 444	1 742 507	1 804 633	

¹ Detail provided in the Division of Revenue Act (2005).

Table 15.F: Summary of official development assistance expenditure

Donor	Project	Cash/ kind	Outcome				Medium-term expenditure estimate		
			2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08
Local									
Billiton	Special advisors for Minister	Kind	50	2 000	-	-	-	-	-
Giya Arts Management	Tirisano School Choral Eisteddfod	Kind	23	-	-	-	-	-	-
Old Mutual	Tirisano School Choral Eisteddfod	Kind	500	-	-	-	-	-	-
Sasol	Tirisano School Choral Eisteddfod	Kind	300	-	-	-	-	-	-
Telkom	Tirisano School Choral Eisteddfod	Kind	500	-	-	-	-	-	-
First National Bank	Tirisano School Choral Eisteddfod	Kind	-	5 000	-	-	-	-	-
Transnet	Appointment of Consultant	Kind	836	-	-	-	-	-	-
MTN	SANLI	Kind	500	-	-	-	-	-	-
Coca-Cola	Colts	Kind	715	-	-	-	-	-	-
Spoornet	Heritage Celebration	Kind	-	800	1 982	-	-	-	-
Spoornet	History Project	Kind	-	500	-	-	-	-	-

2005 Estimates of National Expenditure

Donor	Project	Cash/ kind	Outcome			2004/05	Medium-term expenditure estimate		
			2001/02	2002/03	2003/04		2005/06	2006/07	2007/08
R thousand									
Education Labour Relations Council	Ikhwelo	Cash	-	-	-	12 000	-	-	-
Education Labour Relations Council	Historical records and security system of examination function	Cash	-	-	-	1 096	-	-	-
Education Labour Relations Council	School enrichment and gender equity	Cash	-	-	-	1 106	-	-	-
Multi Choice	Teacher Awards	Cash	300	300	-	400	-	-	-
Education Labour Relations Council	Umalusi Conference	Cash	-	-	200	-	-	-	-
Education Labour Relations Council	Tirisano School Choral Eisteddfod and HIV and Aids	Cash	-	-	4 733	-	-	-	-
Old Mutual	Teacher Awards	Cash	400	400	-	-	-	-	-
Johnnic Communications	Teacher Awards	Cash	300	-	-	-	-	-	-
Foreign									
Ireland	Refund for Minister and spouse air tickets and accommodation	Cash	-	-	90	-	-	-	-
Parliamentary Millennium Project	Parliamentary Millennium Project	Kind	-	-	32	-	-	-	-
European Union	Eastern Cape Schools Reconstruction	Cash	33 352	(187)	1 089	30 270	-	-	-
European Union	Implementation of SA Schools Act	Cash	3 269	1 067	850	-	-	-	-
European Union	Library books and training of HDIs	Cash	23 924	19 627	4 457	-	-	-	-
European Union	SAQA	Cash	35 777	27 626	-	-	-	-	-
European Union	Technical Support	Cash	4 892	-	1 835	4 465	-	-	-
European Union	School Building project: EC/KZN/Limpopo	Cash	-	-	-	-	113 100	113 100	113 100
European Union	Maths and Science	Cash	1 209	-	-	-	-	-	-
European Union	EU libraries programme	Kind	70 000	-	-	-	-	-	-
European Union	EU School Building Programme	Cash	-	-	-	-	200	200	200
USAID	Technical Assistants for Policy Costing	Kind	-	-	-	-	2 200	2 321	2 449
USAID	National working group for higher education	Cash	274	109	-	159	-	-	-
USAID	Development of business plans for conditional grants	Kind	2 549	12 243	-	-	-	-	-
USAID	Participation of teacher representatives in C2005	Kind	-	811	1 457	-	-	-	-
USAID	Equity in the classroom project	Kind	379	-	-	-	-	-	-
USAID	College Fund	Kind	1 500	477	770	-	-	-	-
USAID	Governance project	Kind	14 758	-	-	-	-	-	-
USAID	Policy support for higher education	Kind	2 260	1 158	-	-	-	-	-
France	Maths and Science	Cash	-	3 199	1 818	2 375	-	-	-
France	Training of Education Executives	Cash	-	-	49	601	-	-	-
France	Curriculum 2005 RNCS	Cash	-	-	-	6 684	-	-	-
France	System	Kind	-	-	179	-	-	-	-
Netherlands	Sectoral budget support programme	Cash	24 667	52 189	13 527	47 262	24 000	24 000	24 000
Netherlands	Reconstruction of schools in Limpopo	Cash	27 435	5 113	6 286	-	-	-	-
DANCED	National Environment Education Programme	Cash	628	84	1	-	-	-	-
DANCED	NEEP Co-ordinator salary	Cash	-	-	776	-	-	-	-
DANCED	NEEP GET Project	Kind	2 788	3 774	-	-	-	-	-
DANCED	KZN Literacy initiative programme	Cash	2 500	87	566	-	1 500	-	-

Donor R thousand	Project	Cash/ kind	Outcome				Medium-term expenditure estimate		
			2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08
DFID	Salary of skills development project co-ordinator	Cash	-	316	47	-	-	-	-
DFID	Skills development co-ordinator	Kind	-	78	362	-	-	-	-
DFID	Life skills	Kind	-	-	386	-	1 300	1 300	1 300
DFID	Life skills	Cash	-	-	253	-	-	-	-
DFID	EMIS	Kind	-	-	1 115	-	1 000	579	-
DFID	Whole School Evaluation	Kind	-	1 523	3 673	-	-	-	-
DFID	Race and Values and Human rights	Kind	-	-	3 791	-	-	-	-
DFID	2nd Commonwealth of Learning	Kind	-	1 057	1 057	-	-	-	-
DFID	FET Reform of Technical college	Kind	-	465	844	-	2 000	1 500	1 000
DFID	Higher Education	Kind/ Cash	-	1 863	4 283	-	5 300	-	-
DFID	Mergers of HEI	Cash	-	-	293	-	-	-	-
DFID	Emerging Initiatives in Education	Kind	-	-	3 817	-	-	-	-
DFID	Project Management	Kind	-	348	460	-	-	-	-
DFID	Language Skills	Kind	-	-	474	-	-	-	-
DFID	HIV and Aids EMIS	Kind	-	-	-	-	1 000	500	78 894
DFID	Language in Education Policy	Kind	-	273	-	-	-	-	-
DFID	Advance Certificate in Education	Kind	-	-	-	-	4 000	-	-
DFID	ACE on Values and Human Rights	Kind	-	69	-	-	-	-	-
Taiwan	Brencon Dundee Rotary Project	Cash	-	20	-	-	-	-	-
Taiwan	Alternatives to Corporal Punishment	Cash	-	-	421	-	-	-	-
Japan	World Bank	Cash	-	-	-	-	6 400	-	-
Japan	School Building Programme	Kind	-	-	-	25 000	-	-	-
SIDA	Education Management Information System	Kind	4 136	5 253	4 252	-	-	-	-
SIDA	School Register of needs	Kind	3 854	3 386	418	-	-	-	-
SIDA	ABET	Cash	-	8 117	28	-	-	-	-
SIDA	SANLI	Cash	-	1 076	-	-	-	-	-
SIDA	Exchange Programme	Cash	-	203	-	-	-	-	-
SIDA	Audit of Special Education Provisioning	Kind	958	4 933	32	-	-	-	-
SIDA	EMGD Capacity Building	Kind	2 109	5 792	725	-	-	-	-
SIDA	Gender Equity Programme	Kind	1 398	1 938	137	-	-	-	-
World Bank	PHRD Grant	Cash	-	-	-	5 153	6 400	-	-
Finland	Enhancement of the Quality of Educators in Higher Education	Kind	14 878	13 969	-	-	-	-	-
Finland	ICT in Higher Education	Kind	-	-	12 000	12 000	12 000	12 000	-
Denmark	ELSEN	Kind	6 600	-	-	-	-	-	-
Canada	South African Teacher Development Project	Kind	4 569	-	-	-	-	-	-
Carnegie	History Project	Kind	262	3 605	-	-	-	-	-
Carnegie	South Africa undergraduate Women's Scholarship Programme	Kind	-	-	5 070	-	7 781	8 520	6 602
UNICEF	Gender Policy Development	Kind	2 605	-	-	-	-	-	-
Norway	Higher Education Policy(SANTED)	Kind	15 518	23 990	20 380	-	10 000	10 000	10 000
Swiss Development Corp	All Africa Minister Conference on Open & Distance Learning	Kind	-	-	500	-	-	-	-
Swiss Development Corp	Values in Curriculum Project	Kind/ Cash	-	-	153	-	1 000	-	-
Swedish	Special Needs Education	Cash	-	-	-	-	8 870	5 200	6 800

Donor	Project	Cash/ kind	Outcome				Medium-term expenditure estimate		
			2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08
R thousand									
Finland	Special Needs Education	Cash	-	-	-	-	44 577	30 000	14 577
SIDA	Inclusive Education	Cash	-	-	-	-	20 870	18 000	2 870
Flanders	Whole School Development		-	-	-	850	3 000	-	-
Total			313 472	214 651	105 668	149 421	276 498	227 220	261 792

Table 15.G: Summary of expenditure on infrastructure

Projects	Description	Expenditure outcome			Adjusted appropriation	Medium-term expenditure estimate		
		Audited	Audited	Preliminary outcome		2005/06	2006/07	2007/08
R thousand		2001/02	2002/03	2003/04	2004/05			
Infrastructure programmes or large infrastructure projects								
Thuba Makote	Rural Schools Building Programme	914	12 822	43 596	791	-	-	-
Small project groups								
National School Building Programme	National School Building Programme	1 563	-	-	-	-	-	-
Youth Community Colleges	Youth Community Colleges	8 172	-	-	-	-	-	-
Total		10 649	12 822	43 596	791	-	-	-

Table 15.H: Summary of departmental public-private partnership projects

R thousand	Total cost of project	Budget expenditure	Medium-term expenditure estimate		
			2004/05	2005/06	2006/07
Projects in preparation, registered in terms of Treasury Regulation 16¹	-	2 000	27 170	49 800	52 290
PPP unitary charge	-	-	22 170	47 800	50 290
Advisory fees	-	2 000	5 000	2 000	2 000
Total	-	2 000	27 170	49 800	52 290

Table 15.I: Summary of financial assistance to higher education institutions, 2004/05

Higher Education Institution	Block grant	Earmarked grant				Higher Education restructuring	Total
		Interest and redemption	Ad hoc	NSFAS			
				General allocation	Teacher training		
R thousand							
Border	70 486	2 733	-	7 045	-	-	80 264
Cape Technikon	217 507	7 500	-	13 503	1 491	-	240 001
Cape Town	460 579	6 962	-	21 040	2 281	-	490 862
Central University of Technology, Free State	130 277	3 161	-	11 679	841	-	145 958
Durban Institute of Technology	332 418	4 676	-	38 122	265	-	375 481
Eastern Cape	122 546	2 700	-	9 613	1 611	-	136 470
Fort Hare	119 771	1 891	-	9 862	1 939	-	133 463
Free State	372 737	3 122	-	15 588	8 429	-	399 876
KwaZulu-Natal	669 922	10 390	-	33 808	2 345	-	716 465
Mangosuthu	106 561	840	-	11 636	-	-	119 037
Medunsa	155 337	2 915	-	9 676	-	-	167 928

Higher Education Institution	Block grant	Earmarked grant				Total	
		Interest and redemption	Ad hoc	NSFAS			Higher Education restructuring
				General allocation	Teacher training		
R thousand							
North	148 448	5 840	–	13 413	3 401	–	171 102
North West	442 277	5 059	–	18 552	4 184	–	470 072
Peninsula	147 679	1 978	–	14 236	1 242	–	165 135
Port Elizabeth Technikon	136 612	2 602	–	11 446	2 264	–	152 924
Port Elizabeth University	184 265	3 301	–	9 027	2 653	–	199 246
Pretoria	774 148	2 455	–	18 322	2 675	–	797 600
RAU	345 107	5 017	–	10 404	1 023	–	361 551
Rhodes	119 857	1 150	–	3 944	840	–	125 791
Stellenbosch	453 147	6 681	–	3 350	34	–	463 212
Transkei	94 421	1 800	–	11 019	2 768	–	110 008
Tshwane University of Technology	631 537	8 417	–	68 977	3 257	–	712 188
Unisa	761 079	6 969	–	24 835	2 868	–	795 751
Vaal University of Technology	174 390	3 200	–	24 807	–	–	202 397
Venda	124 344	4 200	–	12 428	3 404	–	144 376
Vista	50 000	19 368	–	–	–	–	69 368
Western Cape	250 870	480	135	16 898	3 643	–	272 026
Witwatersrand Technikon	201 981	6 600	–	26 943	47	–	235 571
Witwatersrand University	504 641	9 000	–	22 726	4 219	–	540 586
Zululand	137 140	5 000	–	12 101	2 276	–	156 517
Unallocated	127 560	–	2 000	13 200	–	–	142 760
Foundation teaching programmes	–	–	84 718	–	–	–	84 718
Restructuring	–	–	–	–	–	500 000	500 000
Total	8 567 644	146 007	86 853	518 200	60 000	500 000	9 878 704

Table 15.J: Summary of financial assistance to higher education institutions, 2005/06

Higher Education Institution	Block grant	Earmarked grant				Total	
		Interest and redemption	Ad hoc	NSFAS			Higher Education restructuring
				General allocation	Teacher training		
R thousand							
Border	74 846	2 294	–	11 586	–	–	88 726
Cape Technikon	230 774	6 861	–	20 403	1 187	–	259 225
Cape Town	475 040	5 908	–	26 317	2 762	–	510 027
Central University of Technology, Free State	144 212	3 161	–	21 907	1 005	–	170 285
Durban Institute of Technology	342 855	4 400	–	49 598	225	–	397 078
Eastern Cape	126 393	2 436	–	17 583	4 310	–	150 722
Fort Hare	127 191	900	–	12 335	852	–	141 278
Free State	404 871	2 908	–	24 755	3 930	–	436 464
KwaZulu-Natal	712 935	9 554	–	62 976	3 590	–	789 055
Mangosuthu	109 906	840	–	20 599	–	–	131 345
Medunsa	161 672	2 915	–	12 103	–	–	176 690
North	163 775	4 725	–	23 292	5 651	–	197 443
North West	480 319	4 519	–	29 402	6 291	–	520 531
Peninsula	161 686	1 243	–	24 187	1 968	–	189 084
Port Elizabeth Technikon	148 827	2 397	–	14 317	1 059	–	166 600
Port Elizabeth University	206 237	3 002	–	15 374	1 305	–	225 918
Pretoria	815 002	1 250	–	34 382	3 589	–	854 223

2005 Estimates of National Expenditure

Higher Education Institution	Block grant	Earmarked grant					Total
		Interest and redemption	Ad hoc	NSFAS		Higher Education restructuring	
				General allocation	Teacher training		
R thousand							
RAU	381 354	4 669	–	19 520	712	–	406 255
Rhodes	124 490	823	–	4 933	583	–	130 829
Stellenbosch	477 411	5 093	–	6 285	44	–	488 833
Transkei	101 839	1 800	–	18 957	3 447	–	126 043
Tshwane University of Technology	700 125	7 343	–	96 595	3 865	–	807 928
Unisa	895 240	26 895	–	38 368	2 868	–	963 371
Vaal University of Technology	192 397	3 200	–	39 651	–	–	235 248
Venda	135 780	4 183	–	23 318	2 984	–	166 265
Western Cape	276 773	480	–	28 054	2 409	–	307 716
Witwatersrand Technikon	222 836	5 081	–	39 265	65	–	267 247
Witwatersrand University	522 295	8 317	–	31 039	2 594	–	564 245
Zululand	139 357	2 696	–	22 471	2 705	–	167 229
Unallocated	72 160	–	–	14 520	–	–	86 680
Foundation teaching programmes	–	–	91 000	–	–	–	91 000
Restructuring	–	–	–	–	–	550 000	550 000
Total	9 128 598	129 893	91 000	804 092	60 000	550 000	10 763 583