



higher education
& training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

MINISTER OF HIGHER EDUCATION AND TRAINING

Budget Speech, National Assembly, April 21st, 2016

Honourable Speaker,

Cabinet Colleagues and Deputies

Deputy Minister Mduduzi Manana,

Chairperson of the Portfolio Committee on Higher Education and Training,

MPs,

Director General and Staff of the Department

Heads of our Post-School Organisations and Institutions

My Wife, Phumelele, and my daughter Nontobeko,

Honoured Guests, including particularly my special guests, Mzala

Nxumalo CEO Dr Bhekithemba Mngomezulu, and the top performing

pupils from my old primary and high schools, Nkululeko Ngubane of

Georgetown High, and Nosifiso Mbele of Mthethomusha Primary,

Ladies and Gentlemen,

Comrades,

I rise to address this house as our higher education and training system is grappling with significant challenges and is under intense public scrutiny.

But I rise, Speaker, confident that despite the challenges we face as a developing country with a history and legacy of national oppression and super-exploitation, we have made enormous strides in building post-school education and training the likes of which have never before been seen in South Africa.

Our system provides diverse and very real opportunities for our people to empower themselves for the future. And we have a clear and powerful vision of how to continue to build this system to serve the needs of individuals, the economy, and society. Many challenges however still lie ahead. That is why we are currently developing a 15 year plan for the entire system, based on the vision captured in the White Paper on Post-School Education and Training I released in early 2014, and on the National Development Plan.

Let us not, in the context of recent challenges in the universities, forget three things:

- firstly, the vast majority of students raising their voices on issues close to their hearts and pockets were from previously disadvantaged backgrounds, showing clearly that we have made great strides and are well on the way to transforming access to higher education

- secondly, 99.9% of those who took their very real and genuine issues into the streets last year are back at their books and in their laboratories, working hard for qualifications to take them further
- and thirdly, let's not forget that the protests confirm that we remain a country of robust, open, and free discussion and debate, a country whose government – as the fees outcome showed – listens and is responsive.

Technical and Vocational Education and Training

A key part of our system is technical and vocational education and training, known as TVET. Expanding this historically very small system has been our priority, as we have moved TVET and adult education to the national Department from the provinces. In the meantime, we have successfully expanded the TVET numbers, shifting from a 1 to 4 to close to a 1 to 1 ratio of college to university students.

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

We have also recognised and responded to the need for foundation learning programmes for TVET students requiring additional support in mathematics and English.

TVET growth continues. Waterberg College in January enrolled 333 students for the new Thabazimbi campus. It has taken over Kumba Iron Ore's skills centre. Two other new TVET campuses are scheduled for completion in July.

It is clear, Speaker, that the money voted by Parliament for Higher Education and Training is going where it should – towards empowering our young people with the skills and knowledge to build a future for themselves.

MPs will be pleased that an audit is underway to link infrastructure expansion and maintenance more stringently to budgeting processes. This will ensure that college infrastructure upgrading and maintenance is planned and budgeted for systematically and sustainably.

But despite the successes we can point to, Government cannot provide technical and vocational education alone. Allow me to direct a few words to employers, both public and private. Your involvement in ensuring a continuing pipeline of well-trained and skilled people across all sectors is critical to our economy. And doing so is arguably of even greater significance to the future of your businesses, whether in manufacturing, repairing, retailing, or services.

We thank those who see post-school skills and vocational training as core to their businesses. And we appeal to those who are still hesitant to join in and contribute fully to upskilling.

To support closer cooperation, the Human Resource Development Council recently launched the “Adopt a TVET college” initiative. This creates working partnerships between colleges and business to ensure an adequate supply of TVET graduates with skills where they are needed most.

Artisan development is a key TVET component. We are recapitalising and modernising the Institute for the National Development of Learnerships, Employment Skills and Labour Assessments, “Indlela”. This financial year we aim to produce over 21 000 skilled artisans. This is a significant step towards the NDP target of 30 000 annually by 2030.

Community Colleges

Colleagues,
about 18 million adults want to learn outside of universities and TVET colleges. We are building a Community Education and Training sector to improve and expand post-school education and training. With nongovernmental and community based organisations, we will grow this into a flourishing sector.

We are doing so, by the way, at least partly in response to issues most recently raised by the Statistician General. He confirms what we are aware of, and working on.

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

The increased efforts we are putting into vocational and community colleges are important measures to expand a diversified post school education and training sector.

Universities

Colleagues,

I turn to the university sector. Of all our areas of work, the universities have in recent months been under the strongest spotlight.

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

We should, fellow MPs, for a moment cast aside our party differences and thank our universities, including staff and students, for their continued efforts in ensuring that South Africa remains at the forefront of teaching, learning, and research on our continent.

Colleagues,

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

Key to our strategy of expanded university access are our new institutions. Sol Plaatje University and the University of Mpumalanga in February admitted their third intake, with enrolments up from 130 and 140 in 2014 to 710 and 1329 respectively. R1.6-billion was invested and seventeen new buildings built, enabling this expansion. New infrastructure for further expansion in 2017 valued at R1.26-billion is under construction. The Sefako Makgatho Health Sciences University entered its second year of operation with an intake of 1 300 students.

South Africa's ninth medical school, at the University of Limpopo, opened its doors in January to its first 60 students. This is linked to the Limpopo academic hospital Presidential Project.

We are addressing the shortage of student accommodation. I will this year launch the Student Housing Infrastructure Programme. At a Student Housing Symposium in June, we will lay out a long-term, sustainable programme using new funding models and innovative building technologies to provide secure and affordable residences.

In the meantime we are also working together with the Minister of Public Works, Thulas Nxesi, to identify government buildings that are either under-utilised or unused to convert them into affordable and comfortable student housing for both universities and TVET colleges.

Colleagues,

While access to university education is important, it is time to focus on success. Part of dealing with the high first year drop out rate is to support underprepared students with our focussed programs.

Colleagues,

university transformation remains a critical task. We need to intensify the struggle to build transformed and non-racial universities. I continue engaging on accelerating transformation agreed by the second Higher Education Summit, and we have told the institutions we expect their implementation plans for the summit resolutions by the end of June. The Higher Education Bill now in Parliament tasks university councils with driving transformation much more vigorously.

Last year I announced two programs to accelerate academic transformation. The Staffing South Africa's Universities Framework, and its New Generation of Academics Programme, or nGAP, have to date filled 102 posts with black South Africans, 55 of them women. A further 100 new nGAP academics will be appointed in the coming months.

But although these numbers are good, they are not good enough. I will soon announce a Ministerial Task Team to look into and propose solutions to the obstacles to the production of South African black academics.

We are committed to improving teaching and learning across all education sectors, and with R200-million from the European Union, my Department is implementing the Teaching and Learning Development Capacity Improvement Programme to strengthen universities in developing teachers in the Early Childhood, special needs, primary, technical and vocational, and community education sectors.

Speaker,

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

That is why, after the agreement on no fee increase for 2016, we are redoubling efforts to ensure support going forward for those who cannot

afford to pay fees. We have provided R1.9-billion of the R2.3-billion shortfall resulting from the agreement.

We have reprioritised over R5.7-billion over the 2016/17 to 2018/19 MTEF period to universities to ensure that the fee freeze in 2016 does not lead to unmanageable fee increases in the future.

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

Colleagues,

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

We also have a plan for the “missing middle”— students whose family income lies above the NSFAS threshold, but who still can't afford university. We aim to test our new model in 2017 and fully implement it in 2018. Let me thank NSFAS Chairperson Sizwe Nxasana for the effort he is putting into reforming and improving the system.

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

Let me be clear, Madam Speaker,

we value the energy and criticism of our young people very highly. We admire their courage and determination and their activism in putting crucial issues facing higher education squarely on the agenda.

Nobody, however, gains from destruction. Nobody is empowered by burning laboratories or libraries. Burnt paintings educate nobody.

Those who have engaged in this destruction must ask themselves who they are hurting, and why? They must ask themselves whether their violence and destruction builds and transforms society. They should recognise the vast majority of students are hard at work, determined to get their qualifications and empower themselves, their families, and their communities.

Our universities must be transformed and not destroyed!

Colleagues,

It is a tragedy that universities are being forced by a minority to spend millions on additional security because this tiny group rejects the power of words, debate, and dialogue, the cornerstones of our democracy.

Skills planning

Speaker,

substantial progress has been made on skills planning. This includes a labour market skills intelligence system, a career development system, and the integration of the post-school education and training information systems. Together, these will allow efficient distribution of skills development resources.

A new career guidance system is before Cabinet. For financial 2016/17, the Department has, through an “Occupations in Demand,” list, identified priority occupations, including civil engineers, construction project managers, quantity surveyors, and 13 trades, including bricklayers, millwrights, boilermakers, and riggers. Increasing the numbers with these skills is important in realising the NDP’s goals, growing and transforming the economy, creating jobs, and attracting investment.

The Department is identifying universities and TVET colleges to upscale training in these areas.

We are engaging stakeholders on strengthening the SETAs, and an improved system will be adopted this financial year. As legislative changes are required, I have extended the current system to March 31st,

2018 to allow for consultation, legislative changes, and change management so that a new system can get to work in April 2018.

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

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

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

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

But colleagues,

post-school education is not simply about meeting hard skills needs. Our new National Institute for the Humanities and Social Sciences has awarded doctoral fellowships to 455 students, and grants to researchers, giving our universities the muscle to explore the burning issues of our time via the social sciences and the humanities.

Speaker,

Colleagues,

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

For the current Medium Term Expenditure Framework, the Department's budget increases at an annual average 9.8%, from R42-billion in 2015/16 to R55.3-billion in 2018/19. The R49.2-billion for 2016/17 is an increase of R7.3-billion, 18.0% more than last year.

These numbers make it clear that the ANC government takes this sector very seriously and has made enormous efforts to ensure not only that extra resources are made available, but that they are used efficiently and effectively where they are needed most.

We do so because we recognise that the future of our country is inextricably linked to our ability to empower our people – particularly our

young people – with the skills and knowledge to allow them to participate actively in building and transforming Africa’s most advanced industrial economy. We have been an industrial country for a century and a half, and we plan to stay that way.

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

I am grateful to my deputy, Mduduzi Manana, the very dedicated staff of the DHET led by DG Gwebs Qonde, to my personal staff and advisors. Finally, my sincere gratitude goes to the President and my Cabinet colleagues for their support. Allow me also to thank my wife and family for their continuous support.

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