



**MINISTER OF HIGHER EDUCATION, SCIENCE AND TECHNOLOGY BUDGET
VOTE ADDRESS FOR THE DEPARTMENT OF HIGHER EDUCATION AND
TRAINING HELD AT THE OLD ASSEMBLY**

12 July 2019

Honourable Chairperson

Honourable Members

Cabinet Colleagues present

Deputy Minister of Higher Education, Science and Technology, Honourable Bhuti Manamela

Members of the Portfolio Committee on Higher Education, Science and Technology, led by Honourable Chairperson, Mr Philly Mapulane

Director-General of the Department, Mr Gwebinkundla Qonde

Chairpersons and CEOs of the entities

Heads of our Post School Organisations and Institutions

Officials of the Department of Higher Education and Training

Student leaders

Invited guests

Ladies and Gentlemen

This marks our first budget for the Department of Higher Education and Training as we commence with this 6th Democratic Parliament.

This year, we are celebrating 25 years of freedom and democracy South Africa.

Yesterday marked 56 years since the notorious Rivonia arrests. They were the embodiment of the fighting spirit of our people to free themselves from bondage. It is upon this determination that we seek to empower our people through an integrated post school system of knowledge production, innovation and skills development.

It is a quarter of a century since the founding father of our nation, Nelson Rolihlahla Mandela, who July 18 marks his birthday, stood before the people of this country to declare: ***“Let there be justice for all”***.

Chairperson

I dedicate this budget vote to Smiso Nkwanyana who was a founding member of the Unisa SRC which was established in 1996. This young lion was also a driving force in the SACP.

Indeed equitable access to education is an important part of restoration of social justice beyond just legislative redress, especially in the context of our history.

In this gallery today, we are joined by learners from the George Town High School, Mthethomusha High School and crystal Springs Primary. They are Noxolo Ngcobo, Kabelo Rigala and Bongiwe Dladla. ***Phakamisani izandla zingane zami and your Principals.***

These children are top achievers from their respective schools. They hail from less than privileged schooling backgrounds in KwaZulu Natal but did not allow their current prevailing circumstance to distract them from building solid foundation for their future prospects.

As a department, we have embraced the ***“New Dawn”*** and the ***“Thuma Mina”*** concept as espoused by President Cyril Ramaphosa.

We also welcome the President’s decision to combine the Department’s of Higher Education and Training together with Science and Technology.

This strategic realignment will further open huge opportunities in the production of both knowledge and skills and significantly contribute innovation in our country.

In other words, the integration of DST and DHET under a single Ministry offers the country with a unique set of strategic opportunities to realign, reposition and project their joint capabilities in new ways.

The integration of DST and DHET under a single Ministry is not simply to ensure greater administrative efficiency or bureaucratic streamlining, but to drive the post-school knowledge and skills development imperative more decisively, more effectively and with greater transformational impact in society.

It offers the country with a unique opportunity to realign, reposition and project the joint capabilities of the entire post-school knowledge and production system at the core of the national development agenda.

Chairperson

Following the adoption of the White Paper for Post-School Education and Training in 2016, we have now completed the National Plan for Post-School Education and Training (NPPSET), which will soon be released to give practical planning effect to the policy goals and objectives of the post-school system.

NPPSET is a consolidated roadmap for a more integrated, transformed, articulated and effective post-school system.

I also welcome the President's focus, on a national spatial development strategy based on systematic and planning around the forty four (44) District Municipalities and eight (8) Metros of our country.

We aim to ensure that within the next 10 years there is no district municipality that will not have access to a post school training institution.

This, in my view, would be a major development in the struggle to overcome the spatial legacies of under-development inherited from the apartheid and colonial system.

We have also approved the White Paper for Post-School Education and Training to build an Expanded, Effective and Integrated Post-School system.

The Ministerial Task Team on the Fourth Industrial Revolution (4IR) established by my predecessor, Minister Naledi Pandor, would provide critical policy advice on how our Post-School Education and Training (PSET) system should respond to opportunities and challenges presented by the 4IR, particularly on issues relating to curriculum development, science and innovation.

Its output will also be a crucial input into the work of the Presidential Commission on the Fourth Industrial Revolution presided over by the State President.

As this work is underway, the department is already developing a **Skills Master Plan** in response to the known skills demands associated with the 4IR. This plan will be complemented by a national list of **Occupations in High Demand** and the **Critical Skills List**.

The new Sector Education and Training Authority (SETA) Landscape will be implemented from 1 April 2020 with aim to strengthen, realign and repurpose the SETA system.

Artisan skills development remains a top priority whilst we have to rapidly expand workplace-based learning through learnerships, work integrated learning and internships.

The recently launched Centres of Specialisation (CoS) pilot is being prioritized for the training of **780** youth in artisan skills and will assist 26 TVET college campuses to improve their capacity to develop artisans with industry partners in 13 priority trades/occupations.

Through the National Skills Fund, we have made available **R150 million** to upgrade workshops at TVET colleges to meet industry requirements.

The SETAs also ensured that all participating employers in the Centres of Specialisation programme received a discretionary grant.

As enumerated during my budget vote debate for the Department of Science and Technology, that whilst we acknowledge that a lot has been done to transform the higher education system demography, there is a need and urgency to significantly accelerate transformation in the racial and gender profile of our academic and research communities.

I will shortly be receiving a report on what the obstacles are in the production of black and women South African academics in our institutions, and how to overcome such obstacles.

The Department has also developed a draft policy framework dealing with Gender Based Violence for the PSET system. In 2017, through the Higher Education and Training HIV and AIDS (HEAIDS) Programme.

This policy is being taken through the Department's processes and will be finalised during the course of the 2019/20 financial year.

Chairperson

Our national aim is to increase the total headcount enrolment in higher education, public and private institution, to 1.62 million by 2030, as envisaged by the NDP and the White paper.

We need to expand university education greatly by increasing opportunities for access through online and after work modes of delivery.

Notably, the number of Research Masters and Doctoral graduates increased at a higher rate than the overall number of graduates, which is critical because our country

depends on these post-graduates for its future academics, researchers and other leaders within knowledge-intensive professionals.

Through our public universities, we implemented the Central Applications Clearing House, to efficiently and effectively manage the enrolments of prospective students, as prelude to a planned Central Applications Service (CAS).

Once established, CAS will provide a one-stop-shop for applications into PSET Institutions, ensuring that prospective students can apply for a wide range of programmes and institutions, and at the same time apply for accommodation funding.

Through this service, students will also have access to Career Development Services and Information.

We remain concerned about the governance failures we have seen in some universities recently. I'm especially worried about the role of some of our statutory Governance structures in creating these failures.

We are taking expeditious steps to prevent and rectify instances of maladministration, malfeasance and mismanagement of our institutions.

We will continue to apply the Guidelines for Good Governance Practice for Councils of South African universities which were approved and published at the end of 2017.

They provide a framework for effective university governance and set out the capacity needed by councils. We urge alumni in particular to come closer to their alma mater.

We continue to monitor the Private Higher Education sector which consists of **106** registered institutions and **30** provisionally registered institutions on a monthly basis.

We will continue to publish warnings of bogus Colleges and information on how to verify the credential of the these institutions and for law enforcement agencies to take action against transgressors.

Chairperson

We are also continuing to update the TVET College curricula in order to make the learning outcomes current and relevant to workplace practices.

However we are deeply concerned that despite the increase in funding to TVET Colleges, student performance has not improved.

As a result, we are currently in the process of institutionalizing lecturer capacity-building using funding from the skills levy system. A similar process was adopted in the university sector almost a decade ago, with very positive results.

We have also established a task team to address the backlogs on the issuing of TVET certification.

As at January 2019, the backlog had been reduced to 15 000 from 236 000 NC (V) certificates.

We will continue to work towards eliminating this backlog.

Honourable Members

We will increase youth and adult participation opportunities in the Community Education and Training (CET) College system to one million students by 2030.

It is against this backdrop that the growth and expansion of institutions within the CET College system is a strategic priority for the Department.

We are hard at work to ensure that we diversify our programme offerings for skilling the unemployed youth and adults in all our CET Colleges in-line with the National Policy on Community Education and the WP-PSET and to align the programme with the dictates of the Fourth Industrial Revolution.

In 2018, a national bursary scheme was introduced to support students from families earning a gross annual income of up to R350 000 per annum at universities and TVET colleges, to cover their full tuition costs, books and learner support materials, and to provide subsidies to assist with accommodation, living expenses, and transport costs where appropriate.

The bursary was introduced in 2018 for qualifying first-time entry students into public universities and TVET Colleges and has been extended to the 2019 cohort of first-time entry university students and second year students.

It will be phased in at universities over five years, with the new first-time cohort added each year.

By 2022, the scheme will cover all cohorts of students across the university system.

The scheme will support approximately 50% of the undergraduate student population at public universities.

The bursary is being implemented through the NSFAS. The substantial investment in poor and working-class students over the 2019 MTEF, amounts to **R82 billion** for university students and **R20.4 billion** for TVET college students.

Honourable Chairperson

Serious deficiencies in the systems, business processes and capacity of the National Student Financial Aid Scheme (NSFAS) led to it to being placed under Administration in August 2018.

Since the appointment of the Administrator, there have been significant improvements in the operations at NSFAS with improved working relationships between NSFAS and institutions, which resulted in a more successful registration process in early 2019.

The focus is to ensure the immediate short-term stability of NSFAS and put in place effective policies and systems to ensure that funding gets to the qualifying students on time and that they are effectively supported to succeed in their studies.

A full assessment and investigation into the root causes of the systems, process, policy and capacity problems at NSFAS will be undertaken by a specialist Ministerial team to be appointed over the next few months.

In addition, we will be working closely with NSFAS to ensure a smooth transition period between the Administrator and new management and governance teams of NSFAS.

Government is committed to strengthening and developing the PSET sector as an integrated continuum such that it offers seamless transitions from schools, colleges and universities in all directions.

Government is committed to strengthening and developing the PSET sector by investing in infrastructure to provide quality teaching, learning and research and innovation spaces.

Equipment and teaching resources; including a conducive student living and learning environment will also be prioritised.

Over the period 2018/19 to 2020/21, we have strengthened our investment in infrastructure projects across our 26 universities by investing a total of **R11.653 billion**.

While all universities benefit from this investment, there is a focus on historically disadvantaged institutions that had been under-resourced in the past.

The TVET college sector has made strides with nine (9) new campus sites under construction and scheduled for completion in 2020.

They include ***Sterkspruit, Aliwal North, Graaff Reneit, Ngungqushe, Umzimkhulu, Greytown, Msinga, Nongoma and Kwagqikasi.***

Contracts will be awarded for a further four (4) new campus sites in 2019/20. The sites includes ***Balfour, Giyani, Nkandla B and Vryheid.***

Construction will commence with a new campus site for ***Mitchells Plain*** in 2020.

In addition, a College Infrastructure Efficiency Grant for maintenance with over **R1 billion** per year from 2018/19 to 2021/2022 is being rolled-out based on the National Immovable Maintenance Management Standard in all fifty (50) TVET Colleges.

An infrastructure priority for our 6th administration includes the development of decent, affordable student housing for universities and TVET colleges.

The Student Housing Infrastructure Programme (SHIP) has been developed to accelerate the provision of **300 000 beds** over 10 years.

The first three (3) universities under this programme are at various stages in the development of **5 836** beds with a further six (**6**) projects of **13 977** beds undergoing assessment through the Budget Facility for Infrastructure (BFI) for possible launching in the coming year.

This has been made possible through a partnership between the Department of Higher Education, Science and Technology, the Infrastructure Investment Programme of South Africa (IIPSA), the Development Bank of South Africa and National Treasury.

In conclusion

I am confident that the effective implementation of our plans will ensure that we build on the successes already achieved and progressively move forward in achieving our long- term goals as a country.

Our budget appropriation for the 2019/20 is as follows:

University education	R59 250 157 Billion
TVET	R10 727 339 Billion
Skills Development	R264 489 Million
Community Education	R2 355 597 Billion
Planning, Policy and Strategy	R79 904 million
Administration	R446 587 million
TOTAL	R73 124 073 Billion

I thank the Honourable President, Deputy President, Cabinet Colleagues, Deputy Minister Manamela, the Chairperson and members of the Portfolio Committee for the support and guidance.

Gratitude also goes to my wife, my staff in the Ministry and to the Director General, Mr Gwebinkundla Qonde and the entire Executive Management Committee and Staff of the Department, the Boards and Executives of our Entities, and everybody who contributed toward the achievement of our mandate as the department.

Let's Grow SA Together