

JOINT SUBMISSION TO THE SELECT AND STANDING COMMITTEES ON APPROPRIATIONS

APPROPRIATION BILL (B4-2026)

DIVISION OF REVENUE BILL (B5-2026)

23 MARCH 2026

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EDUCATION POLICY AND FISCAL CONSTRAINT: ASSESSING THE ALIGNMENT BETWEEN EDUCATION PRIORITIES AND PUBLIC SPENDING	3
HISTORICAL LESSONS: EDUCATION POLICY WITHIN MACROECONOMIC CONSTRAINT	4
IMPLICATIONS FOR THE CURRENT FOUNDATIONAL LEARNING AGENDA	6
RISKS OF MISALIGNMENT BETWEEN POLICY AND EXPENDITURE FRAMEWORK	7
CONCLUSION	7
KEY FUNDING PRIORITIES: GRADE R	8
KEY FUNDING PRIORITIES: EARLY GRADE LITERACY	10
FUNDING TO PUBLIC PRIMARY SCHOOLS SUB-PROGRAMME	10
GRADE R	11
LTSM	12
LIBRARIES	13
TEACHER TRAINING	14
TEACHER POSTS	15
RESOURCING INCLUSIVE EDUCATION FOR TEACHING TO THE RIGHT LEVEL	16
TEACHER ASSISTANTS	17
KEY FUNDING PRIORITIES: SCHOOL INFRASTRUCTURE	19
KEY FUNDING PRIORITIES: POST-SCHOOL EDUCATION AND TRAINING	23
PROVINCIAL EQUITABLE SHARE	25
DELAY IN REVIEW	25
CASE STUDY: KWA-ZULU NATAL VS GAUTENG – DISTRIBUTIONAL INEQUITIES IN THE PROVINCIAL EQUITABLE SHARE.	26
GENDER BUDGET STATEMENT	27
HIGHER EDUCATION AND TRAINING	35
THE ADMISSIONS CRISIS: GROWING DEMAND VERSUS STAGNANT SUPPLY	35
UNIVERSITIES	
<i>University subsidies and the University Infrastructure and Efficiency Grant (UIEG)</i>	
TVET COLLEGES	36
<i>Growth in student enrolment not matched with growth in staff provisioning</i>	
<i>Infrastructure and Resource Shortages</i>	
CET COLLEGES	37
THE NATIONAL STUDENT FINANCIAL AID SCHEME (NSFAS)	38
<i>Budgetary Pressures</i>	
<i>Historical Shortfalls and Sudden Defunding of Students</i>	
<i>The burden of late disbursement of NSFAS allowances</i>	39

INTRODUCTION

1. Equal Education (EE) is a youth-led mass democratic movement of learners, post-school youth, parents, teachers and community members who use mobilisation and public action, supported by careful research, to empower young activists and ensure equality in South African education. Our campaigns are informed by the experiences of EE members across five provinces and by policy analysis. At EE, we build an understanding of the education system while drawing attention to problems facing school communities and learners.
2. The Equal Education Law Centre (EELC) is a public interest law centre specialising in education law - specifically community lawyering, movement lawyering and legal research and advocacy. EELC works closely with EE in pursuit of their mutual goals of an equal education system and quality education for all.
3. EE and EELC welcome the opportunity to make submissions on the 2025/26 Division of Revenue Bill (B7-2025) to the Standing and Select Committees on Appropriations (“the Committees”). Our submission seeks to highlight the social impact of the state budget, primarily focusing on the basic education and post-school education and training sectors.

LETTER FROM LEARNERS AT SEIPONE SECONDARY SCHOOL, LIMPOPO

21 February 2026

To the Honourable Minister of Finance

We are writing to you as learners who spend our days in the public school in Ga Mashashane. We listen when the Budget Speech is coming up, and we really hope that this year, you'll put us, the public school learners, right at the top of your list.

Our schools are where we learn to read, write, dream, and prepare for our futures. But honestly, many of us face challenges every single day. Some of our classrooms are too full, making it hard for teachers to give everyone attention. We sometimes don't have enough textbooks, or our sports fields are just dirt patches. Some schools don't even have proper toilets, or the libraries are empty. This makes it tough to feel motivated and to get the best education we deserve.

We know there are many things the government needs to spend money on, but we truly believe that investing in our public schools is one of the most important things you can do. If you give our schools more money, it could mean better classrooms, proper equipment for science, more computers, and even more teachers who are well-supported. It could mean we all get a fair chance, no matter where our school is or how much money our families have.

Please, when you make decisions about the budget, remember us. Remember that we are the future of this country, and a good education is our right and our best chance to succeed. We are ready to learn and work hard, but we need you to give our schools the resources they desperately need.

Thank you for listening to our voices. Sincerely,

The Learners

Seipone Secondary School, Limpopo.

LETTER FROM LEARNERS eNQUTHU, KWA-ZULU NATAL

27 February 2026

Dear Premier, Thami Ntuli

We, the learners from eNquthu, writing as Equalisers, would like to respectfully raise our concerns regarding the realities we face at our schools. We listen carefully to your recent State of the Provinces Addresses (SOPAs), where promises are made about improving education infrastructure, ensuring safe learning environments, and prioritising learner development without implementation plans.

However, the situation in our schools does not reflect the progress that was highlighted. We continue to experience serious infrastructure challenges, and classrooms are overcrowded, which affects the quality of teaching and learning. In addition, there are concerns regarding the maintenance of school facilities, including sanitation and learning resources. These conditions make it difficult for learners to perform at their full potential. Promises have been made in previous years about upgrading school facilities, improving safety, and ensuring that all schools have adequate resources. Unfortunately, at our expense, many of these promises have not materialised or been implemented at our schools. As learners, we feel discouraged when repeated promises are not fulfilled, while we continue to struggle daily.

We therefore respectfully outline our demands:

- Promises are kept in the budget allocation and funding
- Immediate assessment and upgrading of school infrastructure
- Provision of adequate learning materials and resources
- Improved safety and sanitation facilities
- transparent communication regarding timelines for promised developments and
- Regular monitoring to ensure that commitments made to our schools are implemented

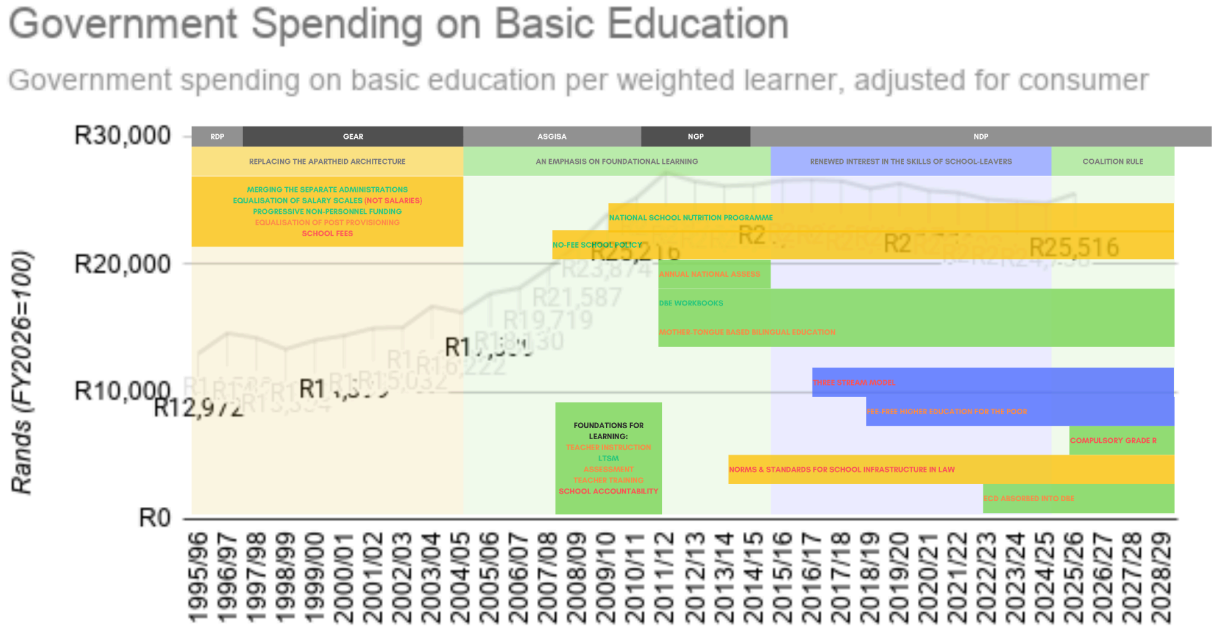
We believe that education is a constitutional right, and we deserve an environment that supports our academic success and personal growth. We are not writing to oppose leadership, but to advocate for fairness, dignity, and equal opportunities for all learners.

We trust that our concerns will be taken seriously and that concrete action will follow.

Yours sincerely,
Ón behalf of Equalisers
Learners from eNquthu

EDUCATION POLICY AND FISCAL CONSTRAINT: ASSESSING THE ALIGNMENT BETWEEN EDUCATION PRIORITIES AND PUBLIC SPENDING

Figure 1: CPI-adjusted spending on Basic Education per weighted learner

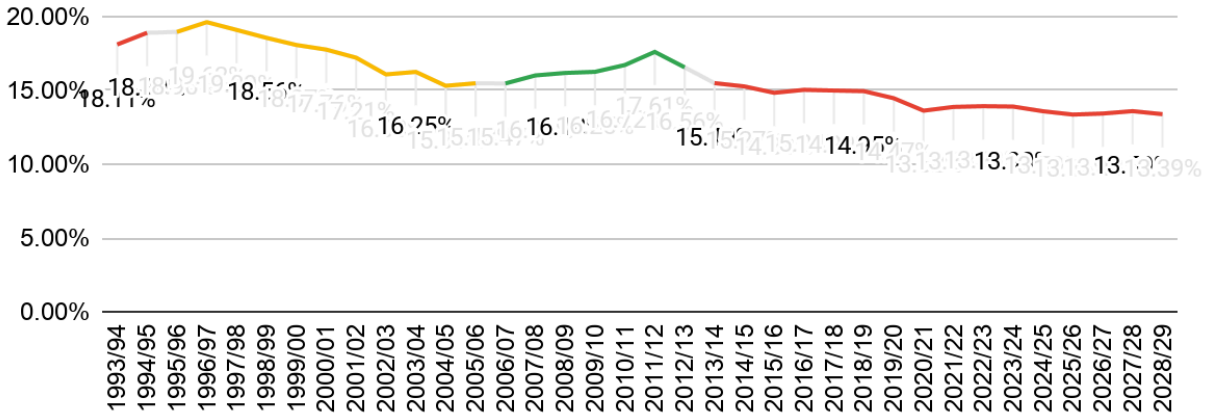


Sources: National Treasury, Department of Basic Education, Department of Higher

Figure 2: Proportion of consolidated government expenditure allocated to basic education

Government Spending on Education

Proportion of total government spending spent on basic education, 1993/94-2027/28



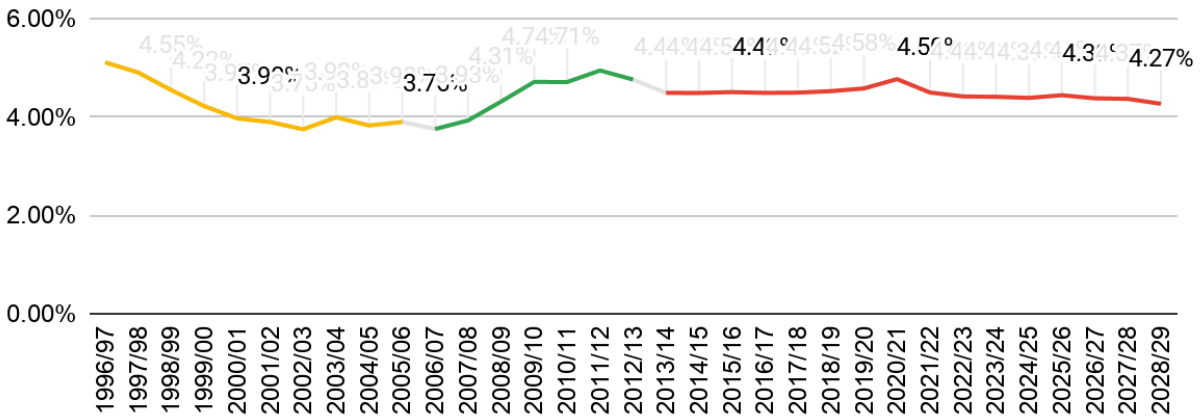
Source: National Treasury Budget Review Documents

- Education Spending (final estimate)
- Consolidated Expenditure on Basic Education directly
- Total Education minus National Spending
- Total Education minus Higher Education

Figure 3: Government spending on basic education, as a proportion of GDP

Government Spending on Education

Proportion of GDP spent on basic education, 1996/97-2028/29



Sources: National Treasury, Statistics South Africa

- Basic Education as a share of GDP
- Consolidated Expenditure on Basic Education directly
- Total Education minus National Spending
- Total Education minus Higher Education

1. This submission assesses long-run trends in basic education spending in South Africa, with a focus on how fiscal allocations have aligned with both education policy priorities and broader development frameworks since 1994.
2. The submission is located within the current policy moment, in which both the Minister of Basic Education and the President have signalled a renewed commitment to improving foundational learning outcomes and enhancing quality across the education system.
3. This renewed emphasis is necessary and welcome. However, this submission argues that without adequate and sustained public funding – within a supportive expenditure framework – these objectives are unlikely to be realised. There is also a material risk that gains made in previous periods may be reversed under continued fiscal constraint.
4. The analysis is structured around three historical periods identified by Gustafsson and Nonkenge¹:
 - a. 1994–2004, focused on replacing the apartheid architecture;
 - b. 2005–2014, characterised by an emphasis on foundational learning; and
 - c. 2015–2024, marked by renewed attention in the skills of school-leavers
5. Two limitations must be noted. First, CPI-adjusted expenditure does not fully capture education-specific cost pressures. Second, this analysis does not account for enrolment growth, and therefore does not reflect per-learner expenditure trends.

HISTORICAL LESSONS: EDUCATION POLICY WITHIN MACROECONOMIC CONSTRAINT

REPLACING APARTHEID ARCHITECTURE AND THE NEOLIBERAL CONSTRAINT

6. The first period (1994–2004) was shaped by a shift from the Reconstruction and Development Programme (RDP) to the more restrictive Growth, Employment and Redistribution (GEAR).
7. While the RDP envisaged expanded public investment to address apartheid-era inequalities, GEAR prioritised fiscal consolidation, deficit reduction, and macroeconomic stability. This placed significant constraints on the growth of public expenditure.

¹ [Gustafsson and Nonkenge \(2025\) Working Paper](#), *Basic Education Policy in South Africa: From 1994 to now*, ERSA Working Paper Series No. 177.

8. During this period, education spending declined both as a share of GDP and as a proportion of consolidated government expenditure. As a result, key redistributive interventions – such as equitable school funding, teacher allocation reform, and support for historically marginalised schools – were only partially realised.
9. The persistence of user fees, inequities in teacher distribution, and the slow rollout of pro-poor programmes meant that apartheid-era inequalities in the education system remained largely intact.
10. This period demonstrates that redistributive policy commitments, when implemented within a constrained expenditure framework, are insufficient to achieve structural transformation.

FOUNDATIONAL LEARNING WITH FUNDING IMPROVEMENTS

11. The second period (2005–2014) coincided with relatively stronger economic growth initially and more expansionary policy frameworks.
12. This created greater fiscal space, enabling increased public investment in education. Especially during the first half of this period, education spending rose as a share of GDP and also improved as a share of consolidated government expenditure.
13. This period saw the emergence of a strong policy focus on foundational learning, following concerns about learner performance in international assessments.
14. Increased funding supported the expansion of key programmes, including learning materials, school nutrition, infrastructure development, and the implementation of no-fee schooling.
15. While challenges in policy design and implementation persisted – particularly in relation to language policy, teacher development, and assessment systems – this period demonstrates that sustained investment can enable system-wide interventions and measurable improvements.
16. It is no coincidence that this period of increased funding towards education coincides with substantial improvements in educational outcomes measured by throughput rates and matric passes twelve years later.

RENEWED INTEREST IN SECONDARY-LEVEL COMPETENCIES AMIDST AUSTERITY

17. The third period (2015–2024) has been shaped by slower economic growth and fiscal consolidation, within the framework of policies such as the National Development Plan (NDP) and the New Growth Path (NGP).

18. In practice, this period has been characterised by expenditure restraint and declining budget prioritisation for education. Education's share of consolidated government expenditure has fallen significantly, and CPI-adjusted spending growth has stagnated.
19. At the same time, policy attention has shifted toward improving secondary school outcomes and post-school transitions.
20. However, fiscal constraints have limited the implementation of these priorities and weakened the system's ability to consolidate earlier gains in foundational learning.
21. This period illustrates the limits - and inherent inconsistencies - of policy ambition in the absence of adequate fiscal support.

IMPLICATIONS FOR THE CURRENT FOUNDATIONAL LEARNING AGENDA

22. The renewed emphasis on foundational learning reflects a recognition that early-grade literacy and numeracy are central to improving overall system performance.
23. However, historical evidence demonstrates that progress in this area is contingent on both adequate funding and a supportive macroeconomic framework that enables sustained public investment.
24. Key components of a strengthened foundational learning strategy – including teacher support, the expansion and updating of learning materials, effective mother-tongue instruction, and credible assessment systems – require consistent and adequate resourcing.
25. There is already evidence of strain within the system. Grade R is not fully funded, despite a legislated requirement to do so. Real per-learner spending has declined over time, and several programmes have not been sufficiently updated or expanded.
26. Where expansions are taking place, these are often funded through the reprioritisation of funds previously allocated to other programmes. This denotes an erosion of learning gains and pro-poor spending allocations at other levels of the education system.
27. This is further counterproductive because, without requisite resources at later levels of schooling, learning gains made in foundational learning will not be scaffolded upon.
28. In the context of continued debt reduction through expenditure cuts, there is a risk that the current policy agenda will not be fully realised – foundational learning is imperative to improve learning outcomes, and later levels of schooling are important to access better opportunities in the labour market and contribute to economic growth for the country as a whole.

RISKS OF MISALIGNMENT BETWEEN POLICY AND EXPENDITURE FRAMEWORK

26. Over the long term, basic education's share of consolidated government expenditure has declined from approximately 18-19 per cent in the mid-1990s to approximately 13-14 per cent in recent years.
27. This trend reflects a broader misalignment between stated policy priorities and the fiscal framework underpinning them.
28. Continued adherence to a constrained fiscal path may undermine the state's ability to invest in foundational learning and improve education quality.
29. Without adequate funding, there is a risk that:
 - a. Constitutional rights to basic education, dignity, and the best interests of the child will be undermined and eroded;
 - b. Racialised inequality in education will persist or deepen;
 - c. Aims to improve early-grade learning outcomes may not be realised equitably;
 - d. Class sizes will continue to increase due to constraints on teacher hiring; and
 - e. Infrastructure and support programmes may deteriorate.
 - f. Employment opportunities for black learners especially will continue to be constrained.

CONCLUSION

30. The current policy commitment to improving foundational learning presents an important opportunity to strengthen the education system.
31. However, the historical record demonstrates that education policy outcomes are closely linked to the macroeconomic framework within which they are pursued.
32. Periods characterised by fiscal constraint – most notably under GEAR and in the post-2015 era – have limited the effectiveness of education reforms. Conversely, periods of expanded fiscal space have enabled more substantial progress.
33. Parliament is therefore urged to ensure that the expenditure commitments outlined in the Division of Revenue and Appropriations Bills support, rather than constrain, the realisation of the right to education.
34. Without sustained and targeted increases in public investment in basic education, it is unlikely that current policy objectives will be achieved, there is a risk that previous gains may be reversed, and the right to education will be jeopardised.

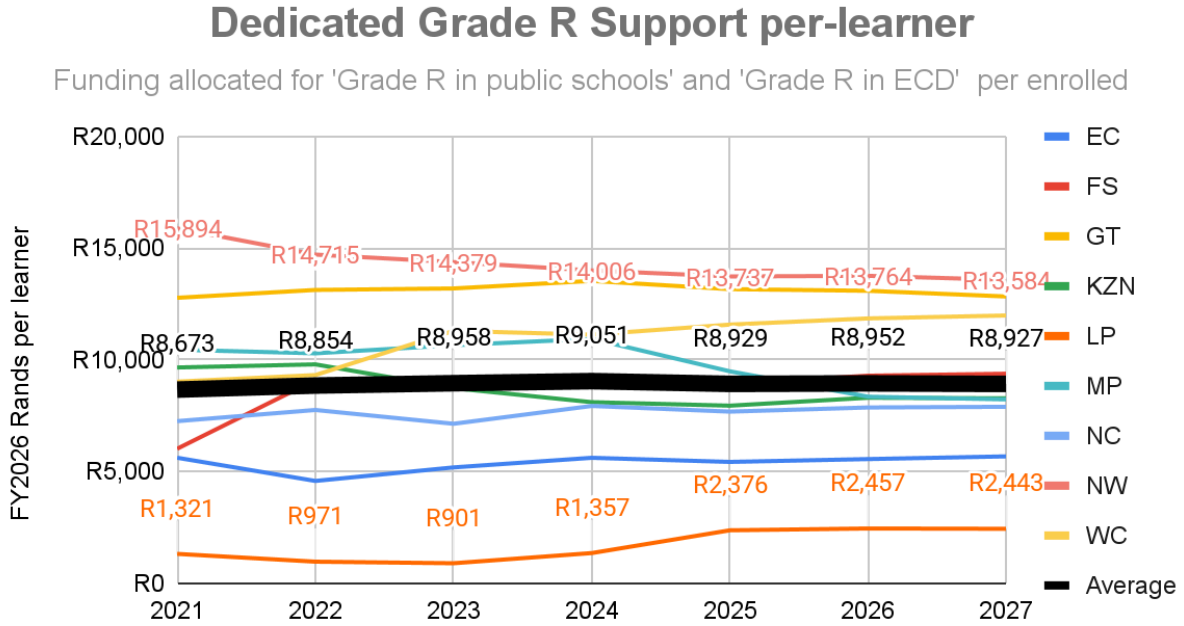
KEY FUNDING PRIORITIES: EARLY LEARNING AND GRADE R

35. We are concerned that the R10.2 billion allocation made by Treasury appears to have been reduced by nearly R1 billion, with no clear justification (or even acknowledgement thereof) by the Minister. While the remaining allocation is welcome, the reduction will effectively mean that the per-child ECD subsidy will once again stagnate and face real-term reduction in value.
36. This is precisely the crisis which the allocation was intended to address, with the subsidy having remained frozen at R17 per child per day for nearly a decade. The increased R24 daily subsidy is still woefully short of the subsidy required to provide even the most basic level of ECD service provision, and reducing the allocation will entrench this failure further.
37. We reiterate our assertion that Parliament would be in breach of their duty to pass Constitutionally compliant legislation if it passes a budget that does not fund Grade R universalisation, despite itself having passed the Basic Education Laws Amendment (BELA) Act, which compels the funding of Grade R as an immediately realisable right and compulsory year of basic education.
38. There is acknowledgement from Treasury that no specific additional funding for Grade R has been availed outside the additional R341.7 million for pay-equalisation. This constitutes less than 2% of the R17.2 billion required to provide Grade R to every child, according to the Department of Basic Education's own Socio-Economic Impact Assessment of the then-BELA Bill.
39. Even without accounting for inflation or population growth, it would take 50 years to fund Grade R at this rate. Requiring half a century, by which stage the young children of today would be nearing retirement, to comply with an immediately realisable mandate is demonstrably noncompliant, as is any approval thereof by Parliament.
40. Grade R universalisation is expected to come from a constrained Provincial Equitable Share, despite no baseline additions to accommodate this obligation. The Division of Revenue Bill should be amended to support this, and we reiterate that this is an option which has always been available to Parliament.

41. In addition to increasing baseline allocations that would allow for Grade R funding, efforts can be made in Parliament to ringfence provincial allocations to Grade R. This would be aligned with Section 28(2) of the Constitution, which requires that the best interests of the child shall be of paramount consideration in all matters involving children.
42. Additionally, ringfencing grade R allocations would be an important step towards compliance with domestic jurisprudence and international law. In 2020, the Gauteng High Court in *Equal Education and Others v Minister of Basic Education and Others* made clear once again that retrogression - backtracking on rights commitments already made - is generally impermissible, especially without substantial justification and an exhausting of all other avenues. That the Minister of Finance has failed in every Budget and MTBPS Speech even to acknowledge the Treasury's failure to provide such funding, is evidence in itself of a lack of substantial justification.
43. This is applicable to socio-economic rights for any population group, but the Court additionally affirmed the international legal position expressed by the United Nations Committee on the Rights of the Child that, even in times of fiscal constraint, the State must ensure children are the last to be affected, particularly the most vulnerable.
44. In this context, 'the most vulnerable' is an especially important factor. By its very nature, the State's failure to fund Grade R excludes young children who are not placed in a public school which already offers it, and whose parents cannot afford the fees to enrol their child in an independent school providing Grade R. It is precisely the most vulnerable who are affected by the Treasury's choice to impose austerity on Grade R funding, and Parliament has a duty to reject this unlawful and legally actionable conduct.
45. As a further indicator of the inequity in Grade R funding, provincial spending on Grade R is presently very uneven. *Figure 4* draws from two line items in 2025 Provincial Budgets to show how per-learner Grade R funding, adjusted for CPI, is unevenly distributed across provinces.

46. If the national policy imperative is to improve foundational learning and early childhood development, then oversight over provincial budgets to ensure equity and provision are necessary.

Figure 4: Dedicated Grade R Support per-learner



Sources: Estimates of Provincial Revenue and Expenditures; School

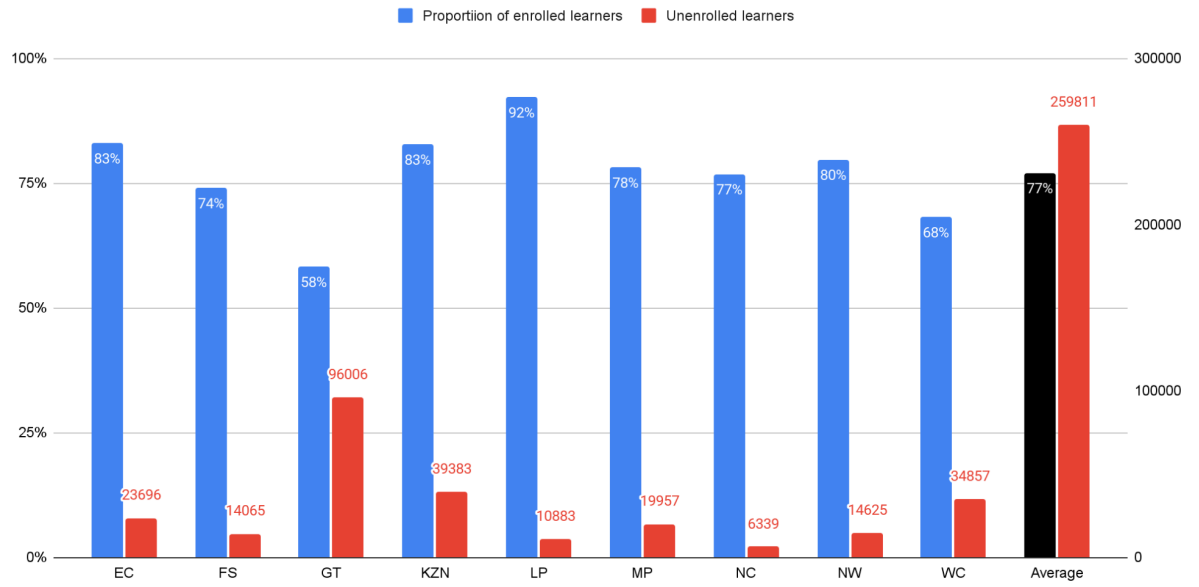
47. Figure 5 draws on data from the Department of Education’s School Realities Report to illustrate the proportion of enrolled Grade R learners in 2023, relative to those in Grade 1 of the following year, as a proxy to account for those who should be enrolled. Close to 260,000 learners are not enrolled in Grade R, with enrolment ratios the lowest in Gauteng and the Western Cape.

48. Not only does this starkly illustrate that learners’ rights are not being realised, but that this is likely because of a capacity constraint. Public schools in densely populated cities are more likely to be overcrowded and with insufficient classrooms, making it difficult for them to absorb Grade R learners.

Figure 5: Grade R enrolment

Grade R enrolment

Proportion of Grade R learners enrolled in 2024 relative to Grade 1s enrolled in 2025, public and private



Source: School Realities Report, DBE

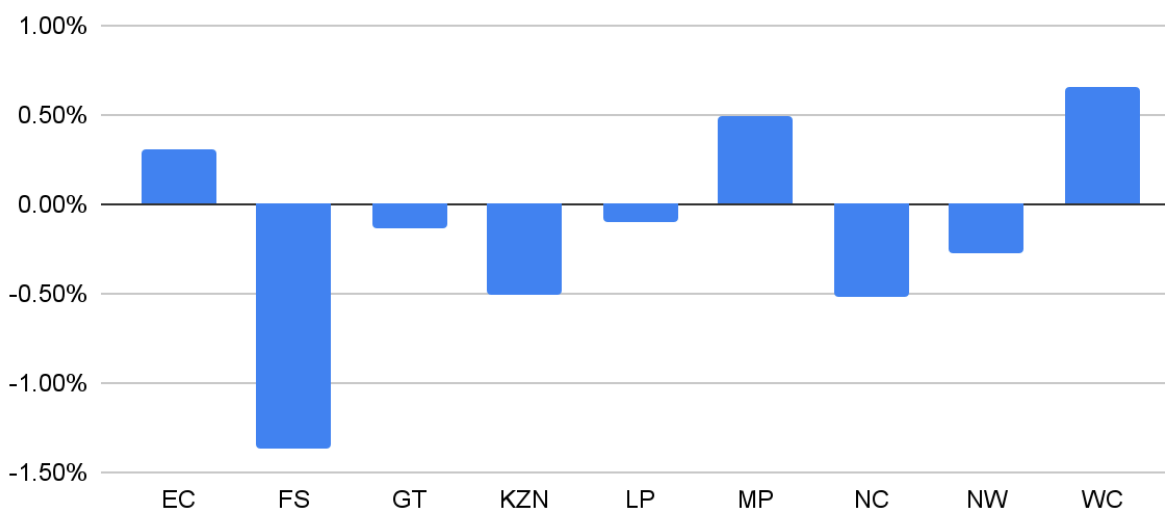
KEY FUNDING PRIORITIES: EARLY GRADE LITERACY

FUNDING TO PUBLIC PRIMARY SCHOOLS SUB-PROGRAMME

Figure 3: Public Primary Schools sub-programme

Public Primary Schools Sub-programme

Average annual growth rate adjusted for CPI, 2021/22-2027/28



Sources: *Estimates of Provincial Revenue and Expenditure; 2026/27 for EC, GT, KZN, WC only*

49. An analysis of provincial education budgets indicates that, after adjusting for CPI, allocations to the Public Primary Schools sub-programme are generally declining across most provinces. This is an indictment on the proposed strategic shift to prioritise foundational learning in the South African education system. Notably, only Eastern Cape, Mpumalanga, and Western Cape show modest real increases in funding between 2021/22 and 2027/28, while the majority of provinces are experiencing stagnation or contraction in real per-learner resources.
50. This trend has significant implications for early grade literacy outcomes. Public primary schools – particularly those serving poorer communities – are the primary sites for foundational learning. Declining real resources constrain schools’ ability to invest in essential inputs such as learning and teaching support materials, teacher development, and targeted interventions for struggling learners.
51. The contraction in real funding undermines the system’s capacity to implement effective early grade literacy interventions at scale. As outlined below, improving foundational literacy requires a combination of structured learning materials, teacher coaching and support, dedicated time for learners, as well as well-resourced classrooms, additional human support (such as teaching assistants), and structured interventions that enable curriculum differentiation and teaching at the right level.
52. In this context, declining allocations to the Public Primary Schools sub-programme risk undermining policy prerogatives and entrenching existing inequalities. Without sustained and

adequate investment, policy commitments to improving early grade reading outcomes are unlikely to be realised.

GRADE R

53. Evidence from the 2030 Reading Panel indicates that while Grade R participation yields positive learning gains, these gains vary significantly by school fee status. Learners in no-fee schools experience substantially smaller improvements compared to their peers in fee-paying schools, reflecting underlying inequalities in resources, teaching quality, and learning environments. In the context of Grade R compulsory schooling law, this raises a critical concern: Government faces an urgent task to not only expand access, but also to address quality risks between differently resourced public schools. Without doing so, the education system will further entrench inequality, rather than mitigating it.²
54. In light of this, it is recommended that funding for Grade R be both protected and increased, with a deliberate focus on equitable distribution. In particular, additional resources should be prioritised for no-fee schools to improve the quality of provision, including investment in qualified practitioners, learning materials, and support systems. Ensuring that the expansion of Grade R is both universal and equitable is essential to strengthening early grade literacy outcomes and preventing the reproduction of inequality in the foundation phase.

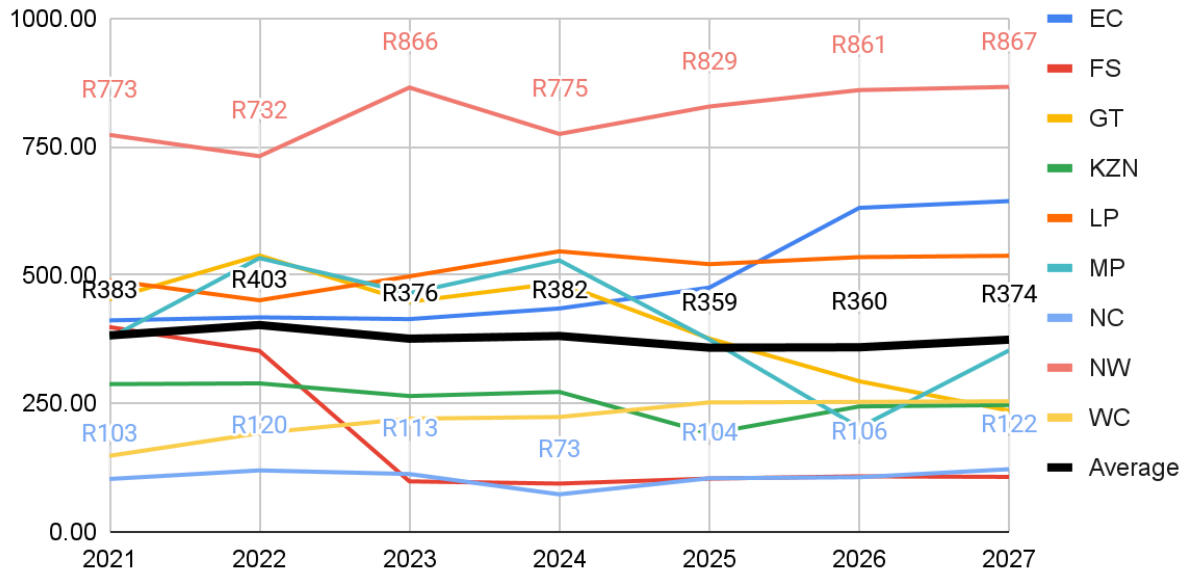
LTSM

Figure 6: Learner-teacher support material, per learner

² Hofmeyr, H. 2026. What can and can't we expect from Grade R? Evidence from the Roots and Shoots study. Advisory Note 4. Reading Panel 2030. Available: https://www.readingpanel.co.za/files/ugd/0429e7_85f80d782ff141a383839996529f9e7b.pdf

Learner-Teacher Support Material, per learner

Provincial Education Department's spending on LTSM, per enrolled learner, ad



55. Last year, provincial education departments budgeted a total of R4.82 billion under the line item: Inventory: Learner Teacher Support Material (LTSM). Allocations varied significantly across provinces. Per-enrolled learner, the Free State Department of education allocated just R104 to LTSM, while the North-West Department of Education allocated R829 (in 2026/27 Rands). On average, a province would spend approximately R359 per learner on LTSM.
56. Most concerning, is that real allocations to LTSM are generally flat since 2021 – despite the results of the 2021 PIRLS study, as well as subsequent standardised test results, indicating that 81% of Grade 4 learners cannot read for meaning in any language.
57. The intervention promoted based on evidence from the Early Grade Reading Study requires foundation phase educators to be provided with Big Books, posters, flashcards, and writing frames to be used in classrooms. In addition to this, materials for Structured Learning Programmes are required to train teachers to implement early grade literacy pedagogy.
58. The World Bank recommends that governments spend a minimum of 3-5 percent of the primary education budget and a slightly higher, 4-6 percent of the secondary education budget, on

textbooks³. South Africa spends just 1.4 percent of its total education budget on all LTSM.

59. We therefore contend that the LTSM allocations are insufficient to support the universal rollout of early grade literacy interventions without reprioritising resources from other learners.

60. We recommend that Parliament solicit procurement and monitoring data on LTSM to safeguard the constitutional right to basic education, which requires that each learner have a textbook per subject; and to ensure that LTSM for early grade literacy interventions are adequately funded.

LIBRARIES

61. The Department of Basic Education's *Education Facilities Management Systems (EFMS) 2025* publication reports that 57 percent of schools have a library. This is a massive improvement from *EFMS 2024*, which reported just 26 percent of schools having a library. EFMS no longer tracks whether libraries are stocked.

62. International evidence links access to a school library with higher reading text scores and overall academic achievement, with positive effects especially strong for learners from poorer backgrounds.⁴ A separate study shows that students in schools with a full-time librarian scored significantly higher in reading than similar students without one.⁵

63. We recommend that Parliament verify EFMS data and accelerate funding initiatives towards universal library provision in South Africa, in line with the Minimum Uniform Norms and Standards for School Infrastructure.

³ Peters, S; Malungane, N; Simayile, S. 2025. *Resourcing of Learner Teacher Support Materials in South Africa* in Financial and Fiscal Commission 2024/25 Technical Report. Available: https://c4465253-6794-4a4d-b0e6-f858f5931b59.filesusr.com/ugd/b8806a_fca44347e19a43ab9f5624ec65abeb09.pdf

⁴ National Literacy Trust. 2019. Understanding the impact and characteristics of school libraries and reading spaces. Available: <https://literacytrust.org.uk/research-services/research-reports/understanding-impact-and-characteristics-school-libraries-and-reading-spaces/>

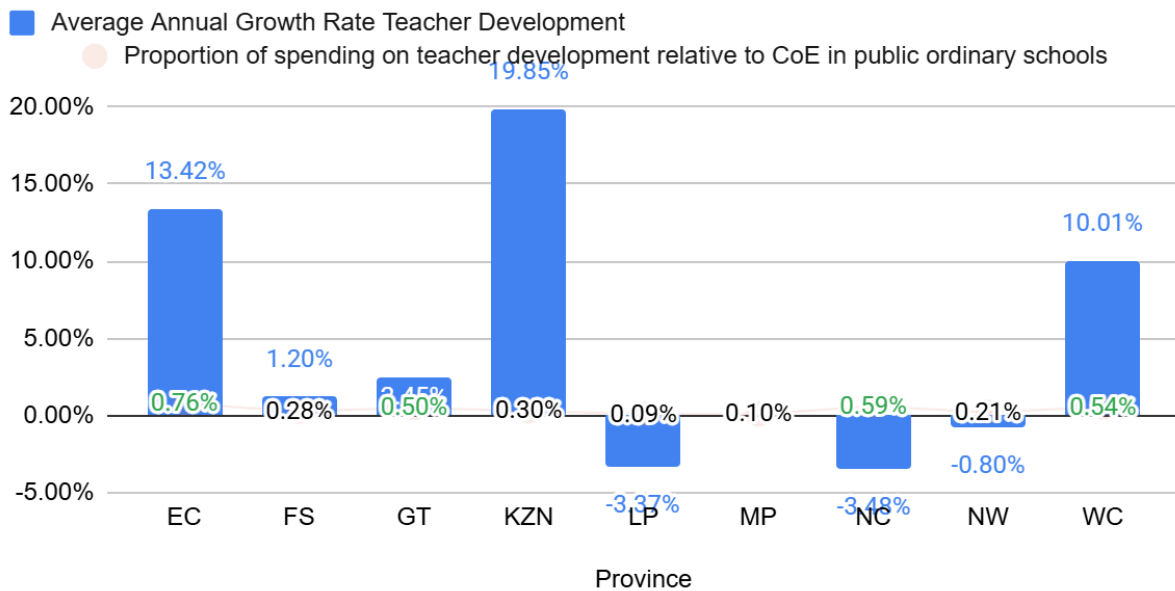
⁵ Wine, L et. al. 2023. Impact of school librarians on elementary student achievement in reading and mathematics: A propensity score analysis in *Library & Information Science Research*. Available: <https://www.sciencedirect.com/science/article/abs/pii/S0740818823000282?>

TEACHER TRAINING

Figure 7: Teacher Development

Teacher Development

Average annual growth rate adjusted for CPI, 2021/22-2027/28; Proportion of spending...



64. The Early Grade Reading Study (EGRS) Costing Report demonstrates that effective early grade literacy interventions – particularly those including structured pedagogy and teacher coaching – are affordable within the public education system if adequate provision is made for teacher development.
65. Public sector employers, while formally exempt from the Skills Development Levy, are required to budget for training initiatives in line with the South African Revenue Service’s 1 percent rule. Guidelines from the Department of Higher Education and Training further stipulate that half of this allocation should be spent on current employees, implying a benchmark of 0.5 percent of the Compensation of Employees (CoE) budget for in-service training.
66. Applying this benchmark to the basic education sector indicates that provinces allocating at least 0.5 percent of the compensation of employees in public ordinary schools line items to human resource development would be able to fund EGRS-aligned early grade literacy interventions at scale.

67. Based on the EGRS costing model, such interventions could be funded using approximately 19 percent to 59 percent of provincial human resource development budgets, depending on the delivery model (internal, hybrid, or external).
68. Provinces that do not meet this 0.5 percent benchmark are therefore unlikely to sustainably finance effective teacher development programmes, particularly those required to improve foundational literacy outcomes.
69. At present, only Eastern Cape, Gauteng, Northern Cape, and Western Cape meet this benchmark.
70. In contrast, Free State, Limpopo, Mpumalanga, Northern Cape, and North West have experienced real-term stagnation or declines in human resource development budgets since 2021, and most do not meet the 0.5 present threshold.
71. This reflects a broader pattern of systemic underinvestment in teacher development, despite strong evidence of its central role in improving learning outcomes, and policy impetus towards improving early grade literacy.
72. We therefore recommend that National Treasury increase targeted allocations to provinces specifically for human resource development; and Parliament ringfence a dedicated portion of the provincial equitable share to human resource development in education. This will ensure sustained investment in teacher training, particularly for foundational literacy interventions.

TEACHER POSTS

73. South Africa's learner-educator ratio (LER) peaked at 27.4 in 2011 and has deteriorated since, with more learners per teacher in the years that followed. The LER for state-paid educators today is 34⁶. This trend has contributed to increasing classroom overcrowding and declining learning

⁶ Department of Basic Education. 2025. *School Realities Report*. Available: <https://www.education.gov.za/Portals/0/Documents/Publications/2026/School%20Realities%20February%202025.pdf?ver=2026-03-09-150733-240>

outcomes. To restore the LER to 2011 levels by 2030, it is estimated that approximately 64,000 additional educators would need to be employed. At minimum, to prevent further deterioration and maintain current ratios, an additional 30,000 educator posts will be required⁷.

74. However, the expansion of the educator workforce is currently constrained by fiscal pressures. Austerity measures have placed significant strain on provincial education budgets, with several provinces reporting that compensation ceilings are not fully funded by the National Treasury. This has necessitated reprioritisation within already constrained budgets, often at the expense of frontline service delivery. While some adjustments have been made more recently to top-up and ringfence frontline service wage bills, these have not been sufficient to stabilise or expand the teaching workforce at the scale required.
75. In addition to overall teacher numbers, the distribution of educator posts remains a critical concern. Evidence from the PIRLS, including recent analysis by Goldmann⁸, highlights stark spatial and linguistic inequalities in learning outcomes. Learners instructed in African languages experience substantially weaker outcomes, effectively losing years of learning relative to their peers taught in English or Afrikaans. These disparities are further compounded in rural contexts, where schools face additional structural disadvantages.
76. A key contributing factor is the manner in which educator posts are allocated. In practice, post provisioning across provinces tends to distribute posts relatively evenly across schools, without sufficient weighting for need. Although existing policy frameworks allow for up to 5% of posts to be allocated for redress, this provision is discretionary and unevenly implemented across provinces.⁹
77. In light of these challenges, it is recommended that:
 - a. The educator workforce be expanded as a matter of urgency, with a clear, funded plan to recruit approximately 64,000 additional teachers by 2030 to restore the learner-educator ratio to 2011 levels;

⁷ Gustafsson, M. 2023. Projections of Educators by Age and Average Cost to 2070. Teacher Demographic Dividend. Available: https://tdd.sun.ac.za/downloads/F-Gustafsson-2023-Projections-of-Educators-by-Age-Cost_Final.pdf

⁸ Goldmann, J. Addressing spatial inequalities in early grade literacy. Policy Brief No. 06/25. Department of Economics, Stellenbosch University. Available: https://resep.sun.ac.za/wp-content/uploads/2026/02/PB06_25_Julian-Goldmann-Spatial-Inequality.pdf

⁹ Gustafsson, M. 2026. Basic Education Sector Lekgotla. Sustaining progress in a resource-constrained environment. Available: <https://www.myemissions.co.za/Gustafsson%20Lekgotla%202026%20-%202026%2001%2019.pptx>

- b. Post provisioning norms be revised to more explicitly address inequality, including making the allocation of redress posts mandatory rather than discretionary;
- c. Rural schools be prioritised for additional educator support; and
- d. Schools using African languages as languages of learning and teaching receive targeted allocations to address systemic disadvantage.

RESOURCING INCLUSIVE EDUCATION FOR TEACHING TO THE RIGHT LEVEL

78. South Africa’s commitment to inclusive education, as articulated in Education White Paper 6 on Special Needs Education, provides a critical framework for addressing barriers to learning and improving early grade literacy. Central to this framework is the principle that all learners, regardless of ability or background, should be where practically feasible supported within ordinary schools through appropriately resourced systems of support.

79. Recent evidence highlights the urgency of this approach. Research on classroom dynamics in South Africa points to exceptionally high levels of within-class heterogeneity, with learners in the same classroom often spanning multiple grade levels in terms of reading ability. This makes standardised, one-size-fits-all instruction ineffective, particularly in the early grades where foundational literacy skills are developed. In such contexts, “teaching at the right level” (TaRL) approaches – where instruction is adapted to learners’ actual competency levels – are essential.¹⁰

80. Further research demonstrates that inclusive education, when properly resourced in line with national guidelines, enables effective curriculum differentiation. This includes the use of targeted instructional strategies, flexible grouping, and continuous assessment to meet learners where they are. These approaches are particularly important for early grade literacy, where delays in foundational skills can compound over time and lead to persistent learning deficits.

81. At the same time, evidence from teacher surveys indicates that one of the most significant sources of professional stress and perceived unpreparedness is the challenge of supporting learners who are falling behind. Teachers report limited capacity, insufficient training, and

¹⁰ Wills, G. Qvist, J. & Hofmeyr, H. 2025. Policy Brief No. 04/25. Heterogeneity in South African classrooms. Department of Economics, Stellenbosch University. Available: https://resep.sun.ac.za/wp-content/uploads/2026/02/PB04_25_Gabi-Will-et-al-Heterogeneity.pdf

inadequate institutional support to manage diverse learning needs within a single classroom. This underscores the need for systemic interventions that go beyond individual teacher effort.¹¹

82. The Guidelines for Resourcing an Inclusive Education System emphasise the role of district-based support teams, including psychologists and other specialists, in assisting schools to implement inclusive practices. However, these support structures remain under-resourced and unevenly distributed, limiting their effectiveness.¹²

83. In light of the above, it is recommended that the implementation of inclusive education be strengthened through full adherence to the Guidelines for Resourcing an Inclusive Education System, with dedicated funding to support school- and district-level interventions. In particular, the number of educational psychologists should be increased from its present level of 82 posts to 871 posts, which should be ringfenced.

TEACHER ASSISTANTS

84. The Basic Education Employment Initiative (BEEI), a cornerstone of the Presidential Employment Stimulus (PES), has played a critical role in supporting schools through the provision of teaching assistants and other support staff at scale. Since its inception, the programme has created over one million work opportunities, placing assistants directly in classrooms where they have supported both teaching and learning processes. In addition, General School Assistants (GSAs) in the programme have supported schools with creating and sustaining clean, maintained and safe school environments, conducive for teaching and learning.

85. However, the 2026 Budget reflects a severe contraction in this programme. Allocations have been reduced dramatically – from approximately R1.2 billion in the previous financial year to just R318 million in 2026/27. This forms part of a broader pattern of cuts, with the programme declining from several billion rand in earlier years to its current minimal allocation.

¹¹ Hofmeyr, H. et. al. 2024. Teacher preferences and job satisfaction in South Africa. Teacher Demographic Dividend. Available: https://tdd.sun.ac.za/downloads/Hofmeyr-et-al_TDD-Survey_Teacher-preferences-and-job-satisfaction.pdf

¹² Deghaye, N. Wills, G. 2024. Incomplete resourcing of inclusive education in South Africa: Implications for the reading crisis. Working Paper No 03/25. Department of Economics, Stellenbosch University. Available: https://resep.sun.ac.za/wp-content/uploads/2025/04/WP03_25-Inclusive-education-Nicola-Gabi.pdf

86. This reduction is harmful to the basic education system. Teaching assistants have become an essential component of classroom support, particularly in contexts characterised by large class sizes and high levels of learning heterogeneity. Their role extends beyond administrative support: they enable more individualised attention to learners, assist with small-group instruction, and provide critical reinforcement of foundational literacy skills.¹³
87. Evidence from initiatives such as the Reading Champions Project demonstrates the potential of structured assistant-led interventions to improve early grade reading outcomes at scale. In this model, trained assistants support targeted reading activities, helping to bridge gaps for learners who are falling behind. Such interventions are closely aligned with “teaching at the right level” approaches, which require additional human resources to group learners by ability and provide differentiated instruction.¹⁴
88. In a system where teachers already face significant constraints – including overcrowded classrooms and limited capacity to differentiate instruction – the removal of teaching assistants undermines one of the few scalable mechanisms available to support early grade literacy. It effectively withdraws a layer of support that is necessary to translate policy commitments on curriculum differentiation and inclusive education into classroom practice.
89. In light of these considerations, it is recommended that:
- a. Funding for the Basic Education Employment Initiative be urgently restored and expanded to previous levels, with a clear multi-year commitment to sustain teaching assistant posts;
 - b. Teaching assistants be formally integrated into early grade reading strategies, including structured programmes such as reading interventions and teaching at the right level approaches.

¹³ Wills, G. Qvist, J. & Hofmeyr, H. 2025. Policy Brief No. 04/25. Heterogeneity in South African classrooms. Department of Economics, Stellenbosch University. Available: https://resep.sun.ac.za/wp-content/uploads/2026/02/PB04_25_Gabi-Will-et-al-Heterogeneity.pdf

¹⁴ Nompumelelo Mohohlwane. 2026. A reflection on reading initiatives and efforts. Advisory Note 7. Reading Panel 2030. Available: https://www.readingpanel.co.za/files/ugd/0429e7_79d563b8450a40c09d81573157ec58b8.pdf

KEY FUNDING PRIORITIES: SCHOOL INFRASTRUCTURE

90. South Africa's school infrastructure landscape remains profoundly unequal. Schools in rural areas and former bantustans continue to experience the worst conditions, with many lacking basic facilities such as safe sanitation, classrooms, and adequate water¹⁵. Despite legislative frameworks mandating minimum infrastructure standards, compliance has been uneven, and education departments have repeatedly missed deadlines for provisioning. Austerity-driven budget constraints are the primary reason for these failures.

91. The Department of Basic Education (DBE) estimates that an annual investment of R57 billion is required to fully eliminate infrastructure backlogs¹⁶. Present levels of spending, however, cover only about one-third of this need. The consequences of underinvestment are severe: overcrowded classrooms, deteriorating and unsafe buildings, limited access to electricity and water, and constrained learning outcomes, particularly for the most vulnerable learners.

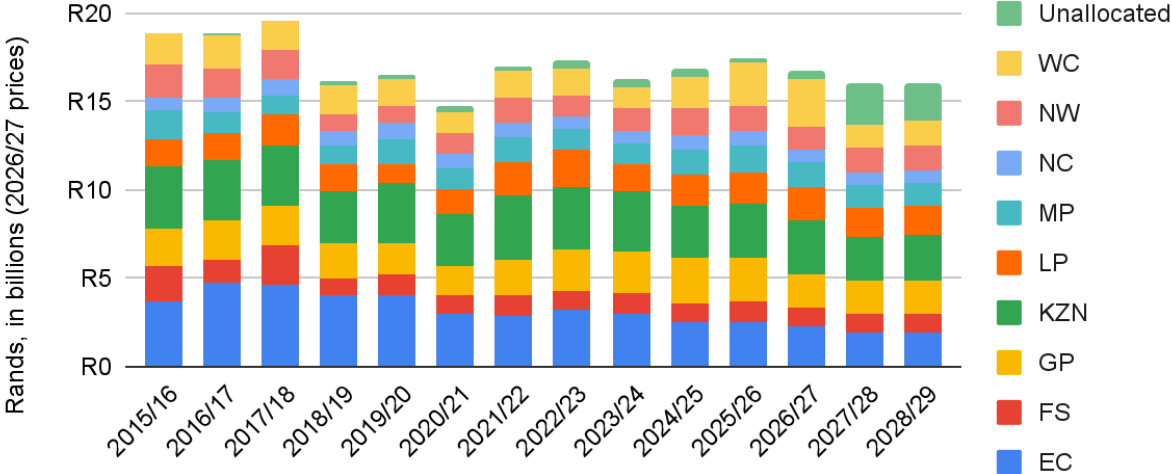
Figure 8: Education Infrastructure Grant + School Infrastructure Backlogs Grant

¹⁵ Lunga Swelindawo. 2025. School Infrastructure Trends in South Africa based on three versions of the School Monitoring Survey. Policy Brief No. 07/25. Department of Economics, Stellenbosch University. Available: https://resep.sun.ac.za/wp-content/uploads/2026/02/PB07_25_Lunga-Swelindawo-School-infrastructure.pdf

¹⁶ Media Statement: Education Committee concerned about gap between school infrastructure reports and conditions observed. 2026. Available: <https://www.parliament.gov.za/press-releases/media-statement-education-committee-concerned-about-gap-between-school-infrastructure-reports-and-conditions-observed>

Education Infrastructure Grant + School Infrastructure Backlogs Grant

CPI-adjusted estimates of EIG and SIBG expenditure, per province



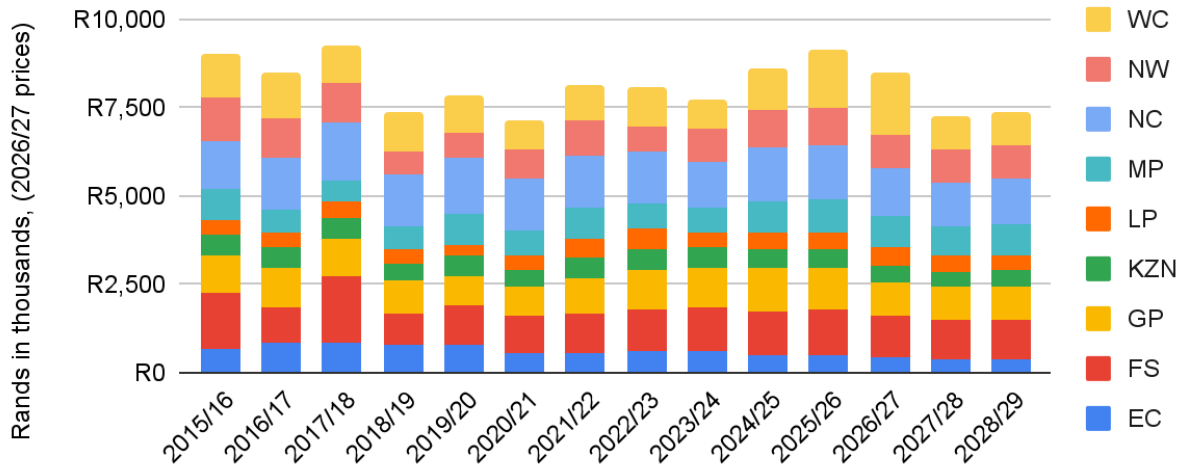
Sources: PED Annual Reports, National Treasury

92. *Figure 8* provides a breakdown of school infrastructure spending by province, and illustrates the insufficiency and declining real value of allocations over time. After adjusting for CPI, total spending has markedly decreased over the last decade. Last year’s budget allocated R17.5 billion in today’s rands under the Education Infrastructure Grant (EIG) and the School Infrastructure Backlogs Grant (SIBG). This year, the combined allocation falls to R16.7 billion, with further reductions over the Medium-Term Expenditure Framework (MTEF) to R16.1 billion per year. While the two grants have been merged in name, the real value has decreased, representing a significant erosion of investment at a time when infrastructure needs remain acute.

Figure 9: Education Infrastructure Grant + School Infrastructure Backlogs Grant, per school

Education Infrastructure Grant + School Infrastructure Backlogs Grant, per public school

CPI-adjusted estimates of EIG and SIBG expenditure per public school, per province



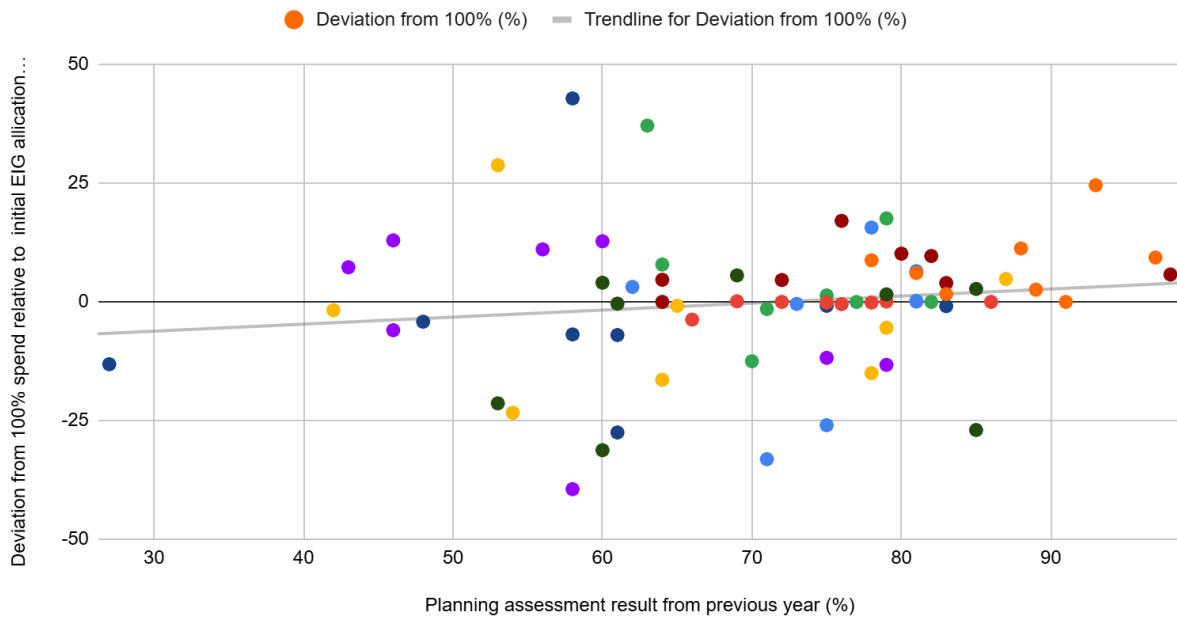
Sources: PED Annual Reports, National Treasury

93. *Figure 9* further highlights the unjust disparity in how the conditional grants are allocated. Conditional grants are designed to direct resources to areas of greatest need, bypassing the limitations of the equitable share formula. Yet, allocations continue to reflect historic inequities rather than need. For example, Eastern Cape schools – home to some of the poorest infrastructure conditions – receive the lowest per-school allocations from the merged grants at around R465,000 per school for 2026/27. Conversely, Western Cape schools, which have comparatively strong infrastructure, receive more than four times what Eastern Cape schools do (R1,785,000), while Gauteng (R921,000) receives more than double the Eastern Cape amount. With the formal closure of the SIBG, these disparities will remain, undermining the expressed objective of the conditional grant.

Figure 10: Spending Performance vs. Planning Scores

Spending Performance vs Planning Scores:

Source: DBE Annual Reports; Explanatory Memorandum to the Division of Revenue Bill



94. A related concern is the quality of planning and spending on school infrastructure. Over the years, provincial spending efficiency has improved, though significant variation remains. The EIG includes an incentive component, which rewards provincial education departments whose infrastructure plans score above 60% in an assessment conducted by National Treasury and the DBE. *Figure 8* – a scatter plot of provincial spending relative to these assessment scores shows some convergence: provinces with higher scores tend to spend more efficiently. However, this convergence correlates more closely with specific provinces than with the score itself, suggesting that the incentive does not consistently drive improved planning or execution across the board.

95. A revision of the incentive mechanism could enhance impact. Rather than applying a uniform incentive, tailoring rewards to support province-specific performance improvements would encourage more strategic planning and targeted spending, particularly in provinces with historically weaker infrastructure.

96. It is therefore recommended that:

- a. Parliament amend the budget to increase Conditional Grant Allocations: At minimum, restore allocations to last year's real levels and progressively scale towards the R57 billion annual investment required to eliminate infrastructure backlogs.

- b. Target Rural and High-Need Schools: Allocate funds proportionally to need, ensuring provinces with the worst infrastructure – particularly Eastern Cape, Limpopo, and KwaZulu-Natal – receive sufficient per-school funding.
- c. Revise Incentive Structures: Adapt the EIG incentive mechanism to support province-specific improvements rather than broad uniform targets, rewarding departments that demonstrate measurable progress in planning and spending efficiency.

KEY FUNDING PRIORITIES: POST-SCHOOL EDUCATION AND TRAINING

HIGHER EDUCATION AND TRAINING

The Admissions Crisis: Growing Demand versus Stagnant Supply

For many learners in South Africa, the price of post-school education and the available capacity of the post-school education and training (PSET) sector determines how far learning can go. While households continue to face rising costs particularly linked to transport, accommodation and learning materials.[1] The structural imbalance between learner success and capacity persists and disproportionately affects Black learners from poor and working class backgrounds and more remote parts of the country.

The National Development Plan (NDP) calls for significant participation in post school education, while the Department of Higher Education and Training (DHET) continues to emphasize the importance of building a diversified post school education system comprising universities, TVET colleges, community colleges and other pathways. **Building a diversified post school education system to expand access, enhance quality and provide efficient, impactful student support, requires increased and sustained funding. This increased and sustained funding should be seen as an investment in the future of young people and the country and not merely as an expense.**

Universities

Every year the number of matriculants who achieve bachelor passes and qualify for university entrance grows, while the number of available spaces grows only marginally. While more learners become eligible for university admissions annually, our public university system, comprising 26 public universities, simply does not have the capacity to accommodate them all.

Collectively, our public universities can only accommodate approximately 230 000 first year students and must comply with strict regulatory limits, so as not to compromise the quality of the education experience of students. Lecture halls and on-campus residences can only accommodate a certain number of students while laboratories must comply with clear safety regulations.

While universities cannot be solely responsible for helping to expand opportunities in the post school education system, they do have a role to play, as part of a diversified post school education and training ecosystem. **Our universities must be supported by government in their efforts to explore and fund new ways of expanding access while maintaining academic standards.**

University subsidies and the University Infrastructure and Efficiency Grant (UIEG)

The tabled budget 2026 does not assist universities to do this. University subsidies are projected to be reduced by almost R2 billion over the medium term and while the University Infrastructure and Efficiency Grant (UIEG), aimed at alleviating overcrowding and upgrading ailing infrastructures at universities, is allocated R3,9 billion over the medium term (2026/27 - 2028/29), with an average annual growth rate projected at 10,2%, this comes in the context of significant cuts to the grant, from R2,2 billion allocated for the 2022/23 financial year to R1,1 billion allocated for the 2026/27 financial year.

This remains a cause for concern given that our public universities have limited infrastructure and state subsidies to help accommodate growing numbers of students who apply and qualify for admission into our universities, with historically disadvantaged universities particularly affected.

For example, the impact of ongoing infrastructure and funding challenges at the Walter Sisulu University (WSU) continue to limit access to higher education for thousands of students from poor and rural communities, a university which continues to face an overwhelming demand for spaces because of its rural location and accessibility to rural communities. In 2026, the university received close to 500 000 applications for only 7000 available spaces.[2] Limited infrastructure makes it impossible to absorb more students. The University of Western Cape (UWC) received 177 000 applications for only 4715 first-year places, creating a competition ratio of 37 applicants for every seat available.

As during the 2025/26 adjustment budget period, **we continue to urge the committee to prioritize increased investment towards infrastructure development, maintenance and upgrades** - including **digital infrastructure**, to enhance fiber connectivity and promote hybrid learning - at our existing universities, to help address the student accommodation crisis, alleviate overcrowding, expand access and enable a conducive living and learning environment for all university students.

TVET Colleges

TVET education forms the backbone of the economy's growth and development. TVET colleges, together with universities and other institutions, play a vital role in equipping young people with skills and knowledge the economy needs. Despite being considered as a key driver for reducing unemployment, the sector has consistently operated with significant funding shortfalls.

Growth in student enrolment not matched with growth in staff provisioning

Growth in student enrolment in TVET colleges continues to outweigh that of lecturers, resulting in high learner-lecturer ratios. Increased student enrollment without a corresponding increase in lecturing staff

has worsened these ratios, negatively impacting the quality of vocational education and subsequently, contributing to poor student performance and low throughput rates. [3]

Our TVET colleges continue to face a severe shortage of qualified staff, particularly in specialized fields such as mechatronics, engineering, mathematics and IT. Lecturing vacancies are reported as challenging to fill due to remuneration as TVET colleges compete with the hard to fill skills with the private sector which has greater flexibility in negotiating salaries and packages. Qualified artisans, engineers and IT professionals can also access opportunities for career growth and development and enjoy greater professional prestige than in TVET teaching. When colleges do fill vacancies, there is failure to retain lecturers. **We urge the committee to prioritize funding for critical vacancies within TVET colleges to address chronic staff shortages, particularly in specialized fields such as mechatronics, engineering and IT.**

Infrastructure and Resource Shortages

Retention is further undermined by heavy workloads, excessive administration, poor infrastructure and outdated equipment and technology, compounded by a long history of gross underinvestment in TVET colleges.

While increases to the TVET Infrastructure and Efficiency Grant (TIEG) over the medium term are welcomed, we highlight that these come in the context of chronic underfunding of these institutions and of significant infrastructure and facility shortages, impacting the quality of teaching and learning and leading to high dropout rates. As with our 26 public universities, many TVET colleges face a severe shortage of affordable, quality and safe student accommodation, forcing students to find inadequate alternatives or navigate untenable situations they should not have to.

We call for sustained, significant investment in infrastructure development and maintenance is required to address the severe infrastructure deficits at TVET colleges and expand access.

Community and Education (CET) Colleges

During the budget adjustments period in 2025, an estimated R846,5 million was earmarked for investment in Community Education and Training (CET) college infrastructure over the medium term. This amount has since been reduced to R676 million over the medium term, impacting the ability of already fiscally constrained CET colleges to expand their infrastructure and operate more efficiently to provide accessible second-chance education and vocational skills opportunities to adults and out-of-school youth who did not complete school or who do not qualify for university/TVET placement.

The historical and continued underfunding of CET colleges undermines their ability to provide quality programming for skills improvement for employability and/or progression to opportunities in the TVET colleges or university education, which matters in a context where South Africa has a learner dropout rate of around 40% and an alarmingly high rate of young people not in employment, education and training (NEET) which has exceeded 30% over the past ten years.

We call for increased and sustained funding for DHET's Programme 6 (CET), to safeguard all those who have been lost in the secondary schooling education system.

National Student Financial Aid Scheme (NSFAS)

Budgetary Pressures

It is important to highlight that **the NSFAS budget is largely flatlining** despite:

- An increasing number of students who qualify for tertiary education funding each academic year based on an improvement in matric results;
- The ongoing cost of living crisis which has expanded the eligibility criteria;
- Declining state resources and subsequently, real declines in allocations to the entity.

Historical Shortfalls and Sudden Defunding of Students

In 2025, the entity experienced a substantial budget shortfall of R13,3 billion, directly impacting the following categories of students: students who applied for funding during the TVET cycle, students with late registration confirmations, students with successful but unfunded appeals and students who wanted to register in the second semester. In addition to students, private student accommodation providers were equally impacted by the budget deficit.[4] The sudden defunding of students, which often occurs in the middle of an academic year, creates profound emotional turmoil and anxiety for students who rely on funding for accommodation, transport, learning materials and food. Many students are evicted from student housing and experience acute food insecurity as a result of sudden defunding. As a result, many students are forced to sleep in libraries and laboratories or even stop their studies, resulting in accumulated debt that restricts them from receiving their results and from graduating.

While the entity, DHET and Treasury managed to reprioritise funds within DHET's existing budget at the time to address the budget shortfall and stabilize NSFAS for the 2025 academic year, **this reality underscores the need for a sustainable funding and financing model for the higher education sector,**

that ensures that no qualifying student is excluded from higher education on the basis of their socioeconomic background.

The burden of late disbursement of NSFAS allowances

The late disbursement of NSFAS allowances is a year on year challenge and must not be characterized as simply an administrative issue. The impact of late disbursements of allowances places an academic, financial and emotional burden on vulnerable students who are funded through and rely on the operational efficacy of the scheme. While students wait for their allowances to be disbursed, they are often forced into untenable situations to try to stay in school and perform academically or eventually drop out and return home.

Added to the burden placed on students, delays in the disbursement of payments also places significant financial burden on private student accommodation providers, sometimes forcing them to wait for multiple cycles. Some service providers eventually opt to evict students in order to manage their operational costs.

During the course of March this year, the University of Mpumalanga announced that it had suspended face-to-face lectures after private accommodation service providers halted student transport after delayed NSFAS payments, compromising the academic and overall wellbeing of students at the university.

Dedicated funds for administrative and technical upgrades to improve the administrative systems that process applications, verify eligibility and manage the disbursement of bursaries and loans to students and payments to service providers remain critical.

Coupled with poor ICT infrastructure, systemic understaffing of the entity has often resulted in bottlenecks in application and appeals processing and query resolution. Furthermore, the scarcity of NSFAS offices remains a significant challenge for students, often resulting in long queues, poor service and high traveling costs for students who require urgent assistance. The centralization of NSFAS services, primarily in the City of Cape Town, coupled with NSFAS phone lines which are often reported by students as overwhelmed or non-responsive, makes it difficult for students to access timeous support, especially students based at higher education institutions located in more remote parts of the country.

Against this background, we call for increased and sustained funding allocations that are specifically earmarked for building and sustaining the technical and other infrastructure and human resources required for the entity to operate more efficiently and ultimately perform better for students.

[1]

<https://www.statssa.gov.za/?p=19198#:~:text=Shifts%20within%20the%20budget%20further.rose%20from%201%2C8%25%20to%203%2C3%25.>

[2]

<https://www.parliament.gov.za/news/dhet-urged-step-walter-sisulu-university-faces-severe-capacity-and-infrastructure-constraints#:~:text=Committee%20member%20Dr%20Delmaine%20Christians.by%20dysfunctional%20basic%20medical%20equipment.>

[3]

<https://www.dhet.gov.za/ResearchNew/TVET%20Research%20Programme/Forecasting%20Lecturer%20Supply%20and%20Demand%20in%20TVET%20Colleges.pdf#:~:text=shortage%20of%20lecturers%20in%20TVET,and%20retention%20in%20TVET%20colleges.>

[4]

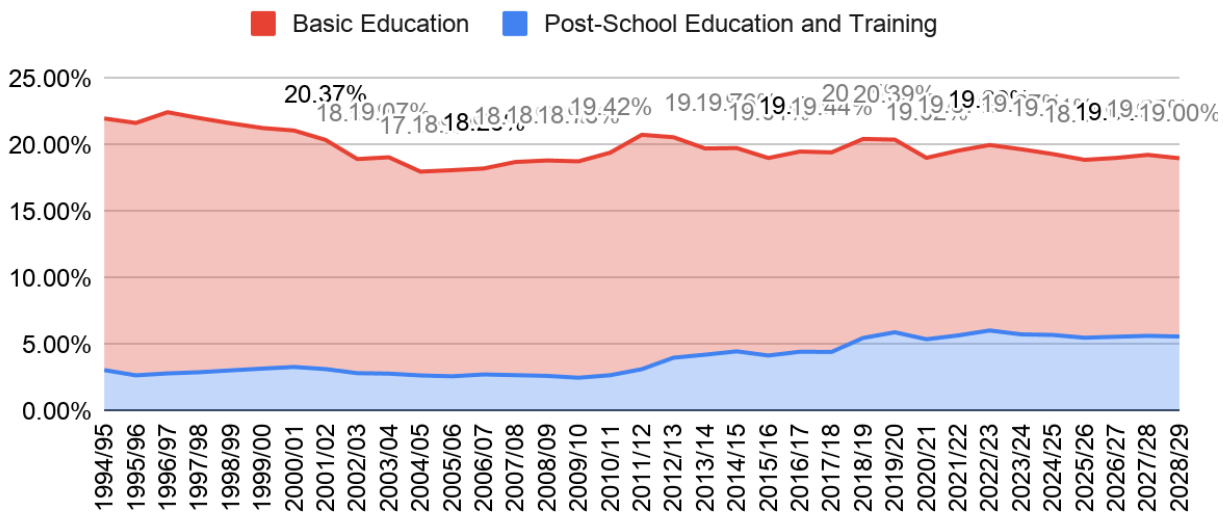
<https://www.nsfas.org.za/content/media-releases/NSFAS%20STATEMENT%20ON%20ADDRESSING%20THE%20FUNDING%20SHORTFALL%20FOR%20THE%202025%20ACADEMIC%20YEAR.pdf>

ROBBING PETER TO PAY PAUL

Figure 11: Government spending on education, basic and tertiary

Government spending on education

Spending on Basic Education and Post-school Education and Training, as a proportion of



Source: National Treasury Budget Reviews

97. In considering the division of revenue, it is important to interrogate how resources are allocated across spheres of government in a manner that supports the realisation of education rights and

policy priorities.

98. Where shortfalls arise in provincial basic education budgets, it is often argued that provinces bear primary responsibility for allocating resources to their education departments, and therefore for addressing these pressures within their own budgets.
99. However, when basic and post-school education expenditure are analysed together, a different pattern emerges.
100. Over the long term, combined spending on basic and higher education has remained relatively stable at approximately 18 to 20 percent of consolidated government expenditure.
101. This suggests that, in practice, allocations to the two sectors are implicitly determined within a shared and relatively fixed expenditure envelope.
102. As a result, increases in funding for one part of the education system may place pressure on allocations to the other, not as a matter of explicit policy choice, but as a consequence of how resources are distributed across the system.
103. This dynamic creates the effect that basic and post-school education are positioned as competing priorities within a constrained allocation, despite both being essential components of the right to education.
104. It also raises questions about the extent to which provincial governments exercise meaningful discretion in allocating resources to basic education.
105. Where the overall envelope for education spending is effectively determined prior to the division of revenue across spheres, provincial allocations may reflect upstream budget decisions rather than independent prioritisation processes.
106. This risks undermining the role of provincial legislatures in shaping education budgets, as well as Parliament's role in ensuring that the division of revenue adequately supports service delivery responsibilities.
107. While there are clear reasons for coordination between basic and post-school education funding—given the interdependence of the system—this should not operate as a mechanism that constrains expenditure in a manner inconsistent with constitutional obligations.
108. The right to basic education is immediately realisable, and access to further and higher education must be progressively realised within available resources.

109. The division of revenue must therefore ensure that funding allocations across spheres of government are sufficient to give effect to these obligations, rather than reinforcing implicit ceilings that limit the capacity of the state to meet them.
110. Parliament is accordingly urged to scrutinise whether current allocation patterns within the division of revenue appropriately reflect the full resource requirements of both basic and post-school education, and whether they enable, rather than constrain, the realisation of education rights.
111. Parliament should require greater transparency in how the overall allocation to the education sector is determined, including whether implicit ceilings are being applied across basic and post-school education, how these affect the division of revenue across spheres of government, and to what extent this undermines the concurrent responsibilities of different spheres of government.

PROVINCIAL EQUITABLE SHARE

DELAY IN REVIEW

112. After starting a review in 2016 and following years of advocacy from civil society organisations and independent institutions, Treasury has acknowledged completing the education component of the Provincial Equitable Share (PES) formula, with proposed reforms to better weight learners from poorer backgrounds. Despite numerous requests, Treasury has yet to make the updated formula publicly available. This formula would detail the relative weights assigned to learners from disadvantaged backgrounds and those with special needs. Public scrutiny before finalisation is essential to ensure democratic oversight and to assess whether the formula effectively addresses historical inequities.
113. The continued implementation of the current formula perpetuates historical disparities in education funding. While the education component is intended to ensure fair distribution of nationally raised revenue, it fails to adequately account for poverty, rural factors, and other resource backlogs. Provinces with high levels of poverty and historical underdevelopment, such as the Eastern Cape and Limpopo, require significantly more resources per learner, yet the current PES does not adequately compensate for these additional needs.
114. Rural provinces face particular challenges. Operating schools with smaller student populations across vast territories increases per-learner costs, but the formula does not sufficiently adjust for these realities. As a result, provinces have been forced to close thousands of schools in an attempt to rationalise services, exacerbating rural underdevelopment, increasing

urban in-migration, and driving up the costs of scholar transport and overcrowding. Rural schools also contend with scarce skills, limited infrastructure, and higher costs for essential resources such as furniture, maintenance, food, scholar transport, internet, and specialist services.

115. Treasury has previously argued that:

“Provinces needed to be afforded a degree of certainty about their allocations over a three-year period to enable them to plan and budget effectively. The formula had to be designed for the long term, and be capable of ensuring equitable allocations even under difficult circumstances, without needing to amend the formula. The allocation formula had to be cognisant of the legally prescribed functional responsibilities of provinces.”

116. Yet all Grade R learners who are currently not in the system are not fully accounted for in the 2026 PES formula. The formula is thus not fully cognisant of the legally prescribed responsibilities of provinces.

117. The integration of the education component of the PES has now been delayed, reportedly due to an ongoing review of the school quintile system. While refining the quintile system may be useful – given that it is not perfect – this should not justify further postponements. The existing quintile system still broadly reflects resource disparities across schools and remains a viable basis for equitable funding. Treasury and the DBE must provide greater transparency on the review process, its methodology, and expected timelines, so that provinces and the public can understand and engage with proposed changes. In the meantime, the current formula should be applied fully and equitably, rather than waiting indefinitely for reforms that may take years to implement.

CASE STUDY: KWA-ZULU NATAL VS GAUTENG – DISTRIBUTIONAL INEQUITIES IN THE PROVINCIAL EQUITABLE SHARE.

118. A comparison between KwaZulu-Natal (KZN) and Gauteng (GP) illustrates how the current PES formula can perpetuate inequities even when allocations appear similar. KZN has slightly more learners enrolled than Gauteng and receives 21.2% of the education component of the PES, compared to Gauteng’s 20.6%. Yet in terms of the total PES, KZN receives only 20.4%, while Gauteng receives 21.1%.

119. From this year’s provincial budgets, KZN allocates 42.7% of its non-conditional grant funds to education, slightly more than Gauteng’s 41.4%, resulting in actual departmental receipts of R64.7 billion and R66.8 billion, respectively (excluding conditional grants). On the surface, these figures suggest relatively comparable investment. However, the context in which these funds are spent tells a very different story. KZN has far more schools, which are widely dispersed across rural and semi-rural areas, making it impossible to concentrate teachers and resources into large

“mega” schools as Gauteng can. Transport requirements for learners are higher, and the province carries a much larger inherited infrastructure backlog from apartheid and climate-related disasters, further increasing the cost of providing education. In addition, KZN has a greater proportion of households living in poverty, increasing reliance on school meals, fee exemptions, and other social support mechanisms.

120. These structural realities mean that the cost of education in KZN is significantly higher than in Gauteng. The province’s fiscal pressures are reflected in the R526.5 million in accruals it racked up last year, despite drastic reprioritisation of funds from multiple programmes to cover its wage bill. Even with these measures, KZN continues to struggle to fully meet its approved post allocation, creating a very difficult and unsustainable situation.
121. It is partly for this reason that the Equal Education Law Centre’s daily advice clinic receives a disproportionately high number of clients from KZN and other provinces with similar structural realities, such as Eastern Cape, whose children face unlawful fee-based exclusions from school. Each year, an increasing number of schools - including many no-fee schools - resort to pressuring learners and parents to make ‘donations’ and exclude learners who cannot. Several clients’ children were denied access to NSNP meals because they could not make a ‘gas contribution.’
122. While we continue to challenge these clearly unlawful practices, they are a direct consequence of schools being increasingly strained by insufficient funding, and they disproportionately affect learners in provinces which are already less capable of meeting their mandates within an austere fiscal environment.
123. Gauteng, while also facing significant fiscal pressures, operates under very different conditions. Schools are more concentrated, transport costs are lower, infrastructure backlogs are smaller, and household incomes are generally higher, reducing the demand for social support.
124. This comparison underscores two key points. First, the overall size of the PES is insufficient to meet the needs of provinces under pressure. Second, the distribution of the PES is inequitable: KZN receives proportionally less of the total share despite facing higher costs and greater need. To ensure fairness and support quality education for all learners, both the size and the distribution of the PES must be reconsidered.
125. It is recommended that Treasury make the updated education component of the provincial equitable share formula publicly available to allow for civil society input, while immediately implementing obligatory adjustments to fully account for Grade R learners, poverty, rural factors, and disability, so that allocations reflect the full legal and functional responsibilities of provinces.

GENDER BUDGET STATEMENT

126. The 2026 Gender Budget Statement (GBS) represents an important step in tracking government expenditure through a gender lens. However, the current framework is constrained by a narrow tagging approach, which risks reducing the statement to a binary focus on women and girls rather than capturing the complex ways in which budget allocations affect different marginalised identities. A genuinely intersectional gender budget statement should disaggregate how allocations impact not only women and girls, but also boys, people with disabilities, rural learners, and learners from historically marginalised communities. Without this lens, key inequities remain invisibilised.
127. Within Basic Education, the GBS leaves much to be desired. Its focus is limited to programmes under the sole administration of the DBE, overlooking areas where the department plays a concurrent or coordinating role. For example, the DBE is likely to collect data from provinces on the number of girls benefiting from the sanitary dignity programme and the HPV vaccine, as well as implementation of the learner pregnancy policy through SGB and school training. It also has access to personnel data on the representation of women in management and senior management, including promotion rates and salary structures. This data should inform the GBS, yet it is underutilised.
128. Adopting an intersectional lens is critical for understanding broader structural inequities. Evidence shows that boys are falling behind in both education, particularly poor Black males from working-class backgrounds. While reporting on these figures, the GBS should seek to capture the structural drivers of these patterns, including socialisation processes, gaps in psychosocial support, and pathways that may lead to higher risks of gangsterism and gender-based violence. Budget allocations aimed at psychosocial support and wellbeing for all learners – girls and boys alike – can and should be reflected in the GBS.
129. The statement could also improve by disaggregating spending on the social wage components of learning and culture. This includes school fee exemptions, social grants for learners, and other support mechanisms, alongside the outcomes achieved for these beneficiaries. In higher education, there is a similar need to report and track gendered patterns in enrolment and funding, particularly where a gender is underrepresented in specific fields of study. Without such data, efforts to address systemic inequities remain partial and uncoordinated.

130. Moving forward, it is recommended that the GBS expands beyond a narrow, programme-centric focus. It must embrace an intersectional approach, track outcomes for all marginalized groups, and integrate a broader spectrum of data available to government, to provide a more accurate and actionable account of how budgetary decisions shape equity and opportunity.

SUMMARISED RECOMMENDATIONS:

1. Align the Division of Revenue and Appropriations Frameworks with education policy priorities
 - a. Increase the overall allocation to basic education to protect constitutional rights to basic education, higher education, dignity, and the best interests of the child.
 - b. Ensure that the overall allocation in the Bills enable sustained investment in line with policy commitments.
 - c. Parliament should demand greater transparency in how the overall allocation to the education sector is determined, including whether implicit ceilings are being applied across basic and post-school education, how these affect the division of revenue across spheres of government, and to what extent this undermines the concurrent responsibilities of different spheres of government.
2. Fully and equitably fund Grade R
 - a. Amend the Division of Revenue Bill to provide dedicated baseline funding for universal Grade R
 - b. Prioritise funding to no-fee schools to address quality and access disparities.
3. Strengthen Foundational Learning for Early Grade Literacy and Sustainable carry-through to capture the gains of these investments
 - a. Reverse real declines in the Public Primary Schools sub-programme.
 - b. Increase allocations for Learner-Teacher Support Materials (LTSM) in line with international benchmarks.
 - c. Require transparent procurement and monitoring systems to ensure every learner has access to adequate materials.
 - d. Accelerate the rollout and resourcing of school libraries, including verification of existing data.
 - e. Ringfence at least 0.5 percent of the Public Ordinary Schools Compensation of Employees budget to support teacher development.
 - f. Expand the educator workforce with a funded plan to recruit approximately 64,000 additional teachers by 2030.
 - g. Restore and expand funding for the Basic Education Employment Initiative and integrate teaching assistants into early grade literacy strategies.
 - h. Fully fund inclusive education, in line with the Guidelines for Resourcing and Inclusive Education System; starting by initially expanding district-based support services and increasing educational psychologists headcounts to required levels.
4. Urgently scale up school infrastructure investment.
 - a. Increase conditional grant allocations to scale toward the estimated R57 billion annual requirement.
 - b. Allocate infrastructure funding through conditional grants in line with need, prioritising rural provinces and historically under-resourced schools.
 - c. Reform infrastructure grant incentive mechanisms to better support province-specific improvements in planning and delivery.
5. Reform the Provincial Equitable Share

- a. Publish the updated education component of the provincial equitable share formula for public scrutiny and input.
 - b. Revise an immediately implementable formula to account for unplaced Grade R learners, poverty, rurality, and disability.
 - c. Increase the overall size of the Provincial Equitable Share to reflect the real cost of delivering education across provinces.
6. Ensure equitable and transparent gender-responsive budgeting
 - a. Expand the Gender Budget Statement to adopt an intersectional approach that reflects multiple dimensions of inequality.
 - b. Integrate data across sectors and track outcomes, not only programme allocations.
7. Strengthen post-school education and training funding
 - a. Increase investment in university and TVET infrastructure and human resources to expand capacity and reduce overcrowding.
 - b. Address funding shortages in TVET colleges through improved funding and retention strategies.
 - c. Develop a sustainable funding model for NSFAS to progressively fund fee-free higher education and eliminate recurring shortfalls.
 - d. Improve administrative systems and de-densify student support services to ensure timely disbursement and access.