**Memorandum from the Parliamentary Office**

**NATIONAL ASSEMBLY**

**FOR WRITTEN REPLY**

**QUESTION 386**

**DATE OF PUBLICATION OF INTERNAL QUESTION PAPER: 03/03/2017**

**(INTERNAL QUESTION PAPER 07 OF 2017)**

**Mr A P van der Westhuizen (DA) to ask the Minister of Higher Education and Training:**

(1) What is the total amount of full-time equivalents students (FTE’s) who studied through the public technical and vocational education and training (TVET) Colleges during the (a) 2014, (b) 2015 and (c) 2016 academic years;

 (2) what was the total amount paid out to all TVET colleges by his department in each of the specified academic years as (a) contributions via the Personnel Salary System, (b) other subsidies toward staff costs, (c) contributions towards capital expenditure and (d) any other transfers in support of the operating costs of each TVET college?

**NW439E**

**REPLY:**

1. Relating to Ministerial approved programmes, i.e. National Certificate (Vocational) and Report 191 excluding occupational programmes, the number of students are as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Financial Year** | 1. **2014/15**
 | 1. **2015/16**
 | **2016/17 (Original)** | **(c) 2016/17 (Revised)** |
| **Target Headcount**  | 650 000 | 660 000 | 755 000 | 664 748 |
| **Actual Headcount** | 670 455 | 664 748 | To be confirmed | To be confirmed |
| **Total Full-Time Equivalents (FTE’s)** | 325 507 | 322 737 | 368 888 | 322 737 |
| **Funded FTE’s** | 235 714 | 233 708 | 238 744 | 233 708 |
| **Unfunded FTE’s** | 89 793 | 89 029 | 130 144 | 89 029 |

1. **TVET Fiscus budget allocations:**

|  |  |  |  |
| --- | --- | --- | --- |
| **Funding Classification** | **2014/15** | **2015/16** | **2016/17** |
| **R’000** | **R’000** | **R’000** |
| 1. **Compensation of Employees**
 | 2 540 505 | 4 943 262 | 5 168 971 |
| 1. **Other subsidies towards staff costs**
 | 1 796 776 | Shifted to compensation of employees due to migration on 1 April 2015 |
| 1. **Capital Expenditure**
 | 0 | 0 | 0 |
| 1. **Transfers and Subsidies**
 | 1 399 051 | 1 140 945 | 1 274 848 |
| **Total Budget Allocation** | **5 736 332** | **6 179 574** | **6 443 819** |

The total fiscus funded budget for Technical and Vocational Education and Training (TVET) colleges for 2014/15 was R5.7 billion increasing to R6.4 billionin 2016/17. The budget caters for the salary costs and operational costs relating to the TVET Colleges. Based on the National Norms and Standards for funding TVET Colleges (NNSF-TVET), the budgets should be applied to the following economic categories:

|  |  |
| --- | --- |
| **Category** | **Percentage** |
| Compensation of employees | 63% |
| Non-personnel Non-Capital  | 27% |
| Capital infrastructure maintenance (repairs and maintenance) | 10% |
| **Total** | **100%** |

**Compensation of Employees:**

In 2014/15, subsidies towards staff costs were made to TVET colleges for salary costs of employees who were appointed and paid by the College Council as a Conditional Grant via the Provincial Education Departments. These employees were offering Ministerial approved programmes. From 1 April 2015, these employees were migrated to the Department as part of the function shift processes and the Provincial Conditional Grant was discontinued.

**Capital Expenditure:**

Since the last recapitalisation of TVET Colleges in 2009, no additional funding was allocated by the National Treasury to supplement capital expenditure at TVET colleges.

**Transfers and Subsidies:**

These funds are directly transferred to TVET colleges in three payments each year. These funds are mainly used to cater for operational costs such as water, electricity, services, learner and teaching materials, protective clothing, etc. in order to deliver effective and efficient teaching and learning.

COMPILER/CONTACT PERSONS:

EXT:

DIRECTOR – GENERAL

STATUS:

DATE:

QUESTION 386 APPROVED/NOT APPROVED/AMENDED

Dr BE NZIMANDE, MP

MINISTER OF HIGHER EDUCATION AND TRAINING

STATUS:

DATE: