

**Judge:**

*Mr Zulu are you in charge today?*

**Mr Zulu:**

*Chair' I believe so. I am in charge today*

**Judge:**

*Alright.*

**Mr Zulu:**

*The presentation today changed from the Department of Higher Education and training. I believe they're going to make a short presentation and we will there after ask them dimples some questions to the presenters.*

**Judge:**

*Who's leading this delegation?*

**Thandiwe:**

*Chairperson I'm making a presentation. My name is Thandiwe*

**Chairperson:**

*Thandiwe*

**Thandiwe:**

*Thandi, just Thandi; Thanks*

**Judge:**

*Thandi, and your surname?*

**Thandiwe:**

*Luwen\*\*\*\*\**

**Judge:**

*Luwen, Thank you. Yes.*

**Thandiwe:**

*By number of my superiors here as well. But I am making a presentation and then we have representation from across the department.*

**Judge:**

*Yes*

**Thandiwe:**

*So, OK*

**Judge:**

*Well, we have the stage of the investigation. Chosen to swear in witnesses. I don't know whether it is your idea that various members will chip in when they want to add something, is that the case?*

**Thandiwe:**

*We thought so, we've got an overview presentation which gives overview of the policy environment in the piece IT sector and then if there are specific questions they would be best answered by the experts in those areas.*

**Judge:**

*Well I think what I would choose to do in the circumstances is to swear you in if you have no objection to take in the oath. If anybody else then wishes to contribute. I will swear that person in his oath will stand his or hers will stand for the remainder of any contribution that they may make. But I see no point in swearing everybody in advanced because they may say nothing. Is just too true.*

**Thandiwe:**

*I think that's fine.*

**Judge:**

*So Ms Lewun do you have any objection to taking the oath?*

**Thandiwe:**

*No, none chair'.*

**Judge:**

*do you swear that the evidence that you are about to give will be the truth the whole truth and nothing with the truth if you do, rise your right hand and say " so help me God"*

**Thandiwe:**

*So help me God.*

**Judge:**

Thank you. Would you go ahead, must I ask that is everything going to be on the screen in front of us?

**Thandiwe:**

*The presentation will be on the screen. Yes chair'*

**Judge:**

*Because we were yesterday given four large-levers arch files containing documents. I am by no means sure how many of them are yours and how many of them you will be referring to. Are you going to leave us? You don't know what files we've been given I take it.*

**Thandiwe:**

*I have some idea chair', I presume that the bulk of them are financial documents from the department. Maybe some policy documents but really what I mainly going to do is talk to the white paper on per school education and training.*

**Judge:**

*I see*

**Thandiwe:**

So it's really quite a high level overview of the policy environment. And then I am sure that there will be specific questions that yourselves and evidence leaders would want to dig deeper on and that's why we have a broad team here. We have people from all our branches from the T.VET branch, the high education branch, the community colleges branch and the skills development Branch as well as from the National Skills fund.

**Judge:**

Yes I see. Alright well, would you proceed please?

**Thandiwe:**

*Though there might be some repetition at the beginning I know that you have heard from our director general. And he gave you a fairly substantial overview of the piece said sector but I also know that his presentation focused very much on the financing of the sector and what we want to do today is to give you a sense of the broader policy goals of the system. In order to understand the financing environment at least that's our understanding of what we've been asked to do. So, The Post-school System, You know was established in 2009 through the establishment of the Department of Education and Training. What the department did was bring together quite a diverse sector including the T.VET colleges which were known as FET. Colleges at the time. And including the skills development system which* **Thandiwe:**

**\*Continued\***

*the skills development Levies system and the SETAs which came from old Department of Labour. So we have a diverse group of institutions that come with very different histories and different logics what we have now is a system that intends to cater for students that are leaving school post grade twelve (12), Particularly in the T.VET colleges and the higher education institutions but also those who leave pre-grade twelve(12). And there is an acknowledgement that we need to cater for students who sometimes leave post grade nine and before matriculating, particularly the T.VET colleges and the community colleges would cater for that group of people. So what we do have as a department is a very significant mandates quite broad much broader than just the universities themselves. And we have now got a white paper which. Was released in early twenty fourteen which provides us with a policy framework for developing that sector. And I'm going to focus predominantly on that we are also building on the substantive overview that the director general gave. So, this is, you've seen this before is the, Known as the inverted pyramid. Which is what our system looks like at the moment? You'll see that we have roughly one point one million students in the higher education sector, those are twenty fourteen(2014) figures. And they include private-higher education institutions. That in the T.VET sector, Which is where you would expect to see larger numbers of enrolments then in the university sector we in fact have under a million students but this is a sector where there's been enormous growth in the period between twenty ten (2010) and twenty fourteen(2014) a doubling of numbers in the T.VET colleges. We have fifty public T.VET colleges, and a changing number but in the region of about six hundred private colleges. And we have policy targets in the white paper and through the N.D.P. of reaching one point six two million in enrolments in universities two point five million in TVET colleges and one million in community colleges. So you'll see that the biggest growth in terms of our policy goals is in fact not in the university system but in the college system the T.VET colleges and in the community colleges which are currently being established. We understand that...*

**Judge:**

*When you speak to your target, does that, do those talk to embrace the private higher education systems will.*

**Thandiwe:**

*No Sir I should clarify what the White Paper says is that there would be a half a million in enrolments in the private in the private sector so. In actual fact the private sector targets would be on top of that. I'll talk a bit about it later. But those targets that are up there are the targets for the public system. What it says at the bottom. I mean what is important. Really, And that D.G. would have already talked to the slide I don't know why it's not coming out, yes, that ultimately only about a very small number of those who part while a very small number of people end up passing the N.S.C. and getting enrolment in, getting access to university and so we have a system that needs to cater for a far broader range of citizens than just university students and-*

**Journo:**

*Just to interrupt you. On the invertedness. Why invertedness of the pyramid.*

**Thandiwe:**

*In a Well-functioning posts secondary system or a good post-secondary system you would expect to see larger numbers of enrolments at the intermediate level, in many middle income countries you will see a larger numbers of students going in the technical vocational route and maybe fewer students in higher education route but also that as a as a country. If you look at the N.D.P. we want to try and increase our enrolments at that level so that we have more intermediate skills more students getting the kind of technical and vocational education that allows them to go directly into the workplace. And so our policy goal is in actual fact to invert that pyramid. So that we have more students going into Very good quality vocational education and training and relieving the pressure on our universities which is enormous as I'm sure you've heard many people.*

**Judge:**

Was that being the policy goal since the white paper or has it been the policy goal since two thousand and nine? To invert the pyramid.

**Thandiwe:**

*it has been the policy goals and the white paper at least articulated in the white paper and then through the N.D.P.. Which predated the white paper.*

**Judge:**

*How far have you come towards achieving it?*

**Thandiwe:**

*Well this will this will give you a sense. I mean I could ask for us to talk about it but in twenty ten there were roughly about three hundred thousand enrolments in the T.VET colleges, three hundred fifty and by twenty fourteen we had Roughly seven hundred so a doubling between the period of twenty ten and twenty fourteen. If you look at the university sector. We had a doubling of enrolments in the university sector but over a far longer period. So over a period of about fifteen, fifteen to twenty years we've doubled the enrolments in the university sector but obviously a much longer period so the expansion in the T.VET sector has been really quite significant. But it's not enough to rectify that imbalance. And there are obviously quite serious underlying issues that influence that growth and our capacity to sustain that growth and that's something that we would want to talk to a bit later. I think the important thing at the bottom and read is to know that ultimately the peace IT system is being expected to cater for potentially. The number of eighteen million citizens and that would be including those who may want to access community colleges will talk to those potential students later on but ultimately you're talking about That number of people*

**Thandiwe: \*Continued\***

*potentially that number of people who would require some form of education and training and who haven't been served up to now. And as you can see the university sector the T.VET colleges can only absorb certain numbers.*

**Journo:**

*Just on that number. Is this this number at any given period of any given period or the number supposed to change? Like can we foresee that maybe next year only sixteen would require that or only twenty something, is this a determinable number?*

**Thandiwe:**

*It changes, it depends on- this is data that one gets from stats to say it depends because that group is made up of people who have finished school but haven't had further education opportunities, people who didn't finish school, people who were never people who are adults but haven't ever had any real opportunities who maybe some didn't even finish primary schooling. People who finish the curry good day literacy program. People who are unemployed. Then the group that we call the needs the not employed in educational training.*

**Journo:**

*Does it include to the beneficiaries of the skills fund in terms of training at work?*

**Thandiwe:**

*That figure would- in terms of a target group the beneficiaries of the skills fund would fall into that group. So yes. So...*

**Journo:**

*It is not students only this eighteen million?*

**Thandiwe:**

*it's potential students it's people who are who we according to the statistics that we have in the country could be served by a post-school education and training system whether they are people who might make it to university; community colleges; T.VET colleges but Community College base is particularly big because it's not just people who haven't had educational opportunities. It's also those who may be an employed, it's those who may be in a particular workplace but want to change and reskill and so that it's a very broad it's a very broad number. It becomes more acute when you look at the community colleges and we will talk to it later.*

**Journo:**

*Sorry, can I pose a question? Is it only based on the youth or adults are also considered in your estimates?*

**Thandiwe:**

*Adults are also considered in that number.*

**Journo:**

*Up to how many years?*

**Thandiwe:**

*Up to any age. So I mean obviously there are, obviously a big part of our of the way in which the N.D.P. and the white paper were developed was in response to this awareness of the numbers of young people between the ages of eighteen and twenty four who were not employed, not in education, not in training at the time the number was three point five million; the number is now I think in the region of four million. Between the ages of fifteen and twenty four we get those figures from the labour force survey. And so obviously that's a very big part of the group that needs to be catered for. But it can't exclude adults. Who may be working or maybe unemployed or who haven't, who May not be youth but who would want to reskill in particular the Kerry good day literacy program. There are those who've been served by the basic literacy program and you who may want to go on and gain again other forms of academic and non-academic qualifications.*

**Journo:**

*Just to do to finalise that maybe for the purpose of this commission. Is this the eighteen, the feasibility should be tested on this eighteen million or on any other figure.*

**Thandiwe:**

*I think that, as a department we have to consider, All the citizens that we should be potentially serving I think that it's obvious that given you know financial constraints and given the size of the system in the way in which the capacity of the system to grow that we can't cater necessarily for all of those people but the policy goal is to try and broaden the offerings in the post-school sector to cater for as many people as possible. \*whispers\* OK so. It's an aspirational number. It's unlikely that given our current forms you would want to be able to serve all of those people know that all of those people would necessarily want particular offerings but I think the point being made is that there are many South Africans who have, who fall outside of our schooling system who could be potentially catered for in our post school education and training system. And our policy goals involve trying to grow the system and to be able to respond as much as possible to the demands and the needs of citizens. So the next slide is the legislative matter, I think probably you know that just as well as we do and it's been repeated over and over again. And I think that the D.G. would have spoken to this in quite some detail particularly in terms of the discussion around the right to further and higher education.*

**Journo:**

*If you put it up there. There is an expectation that you know what it means. Now I might have a different interpretation of what it means and you as a department need to explain to us what do you see it meaning. I think that's the issue with regard to this now whether it is your mandate to explain what it means or somebody else in your department but it doesn't help us if we just have it up there without you telling us what you think means.*

**Thandiwe:**

*I understand that I did direct a journalist given you a very substantive presentation. Already and he would have talked to this but I certainly can give you a departmental position if that's thought necessary. What I would prefer to do is to focus on the piece a policy environment to try and give you a sense of the grainy detail about how we are thinking about developing the system. Because I think it's in that detail that it's possible to understand the complexity of what the department's mandate is, the complexity of the range of offerings that go beyond just the university system and- and what it really means that I think will give you the context of what it really means to provide free or fee free education but I think the department's*

*mandate is that we have to respond to point B which is to provide further education as a state, We want to make further education progressively available as much as possible.*

**Journo:**

*Well perhaps for fairness' sake I should indicate the issue of what this means, I think forms part of another set and whether it's this set or not but if it is this set, We haven't had somebody come on record as you are doing to indicate what it means we've been hearing overviews of what the system is, this set is to ask you to place on record as a department want it really means and they might be other views out there, So all I'm saying is this; we... my understanding of the structure of the commission was that this also forms part of one of the sets, I could be wrong, Ms Pillay.*

**Journo:**

*Most probably. It's awesome. commissioner actually it was our intention to ask the witness or any one from the department to deal with this issue of section 29 about their understanding of what they understand about that section in the constitution so, I am going to ask the witness if, mam' if you don't mind I'm going ask you to respond to the question and explain to us exactly what's the department's perspective or interpretation of that section in the constitution.*

**Thandiwe:**

*I don't think I shall answer...*

**Journo:**

*and Can I also ask the witness to speak to the understanding of section twenty nine in relation to the numbers were given earlier, the eighteen million, If it covers this in terms of the Constitution and who's in and out of this.*

**Thandiwe:**

*I would like to ask my colleagues if any one of them wants to answer the question. I mean I had, it's not something that we had prepared an answer and it is a complex question.*

**Judge:**

*As I understood you, your Eighteen million was an aspirational figure.*

**Thandiwe:**

*Very much aspirational.*

**Judge:**

*Yes, it's not a figure fixed on twenty five or twenty thirty is it.*

**Thandiwe:**

*No it's not, you see what we, Well maybe I should also clarify what my role is in the department because we and I'm going to talk to it, that we are actually developed- I'm a planner and what we're doing is developing a national plan that en- responds to the policy goals of the white paper. And we're actually in the midst of a process where we are identifying the policy goals, and translating them into a plan for the sector that will be in place until twenty thirty. So part of what we are doing is engaging with the demand. That's out there and saying well you knows these are the targets that we have in the white paper. These this is what we know about what the need is in our country and this is therefore and then we look at what we can respond to and what we can't. And so that that figure is part of our it's part of our it's one of the things that we're using to plan with it....*

**Journo:**

*Are we able to get the status quo.*

**Thandiwe:**

*You know the planning phase this. What it is now, the plan; I'm going to try and give you a policy overview.*

**Journo:**

*By saying the status go, the fact is that there are now during in this current phase,*

**Thandiwe:**

*The facts relating to-, the system. I would. If you can allow me to carry on with the presentation I can try and go there*

**Journo:**

*Was there?-*

**Thandiwe:**

*Well we haven't answered the question of this section...*

**Journo:**

*Do we ask anyone from the department because I think it's important, this aspect is very important, it's closely related to the issue of access to universities so it's actually one of the issues that you need to take up with these- anyone one of these witnesses. So can I ask that any one of them should be given opportunity to be sworn in?*

**Dr Van Starden:**

*Thank you.*

**Judge:**

*I'm sorry who is speaking now?*

**Dr Van Starden:**

*OK Chair' thank you very much Dr Van Starden, I am a chief director in the university branch responsible for the academic university planning. And I can maybe because I've been longer a department as my colleague Thandi here and I would like to respond in our interpretation of that clause.*

**Judge:**

*Yes Dr Van Starden, what are your full names?*

**Dr Starden:**

*Dr Van Starden Van Starden*

**Judge:**

*Dr Van Starden would you swear that the evidence that you're about to give is the truth, the whole truth and nothing but the truth?*

**Dr Van Starden:**

*I swear.*

**Judge:**

*Thank you; say "so help me God"*

**Dr Van Starden:**

So help me God.

**Judge:**

*Thank you, you may start*

**Dr Van Starden:**

Ok

**Judge:**

Yes, go ahead and say what you wanted to say

**Dr Van Starden:**

*Thank you very much Chair', Judge the fact is that when we looked at this kind of clause, It was open for interpretation by the public. And when we do the planning we had to translate that in terms of what it means for us, those years when the constitution was drafted in one thousand nine hundred four, our whole education system were, in three bands. It was basic education, further education and tertiary or higher education referred to, so in our interpretation the basic education is clear and that's where the department of basic education comes from. Further education was translated in the college sector and that's why they've called further education and training colleges. So in our interpretation, is that the basic right in terms of higher education and tertiary education is silent on. And from that interpretation the public has utilised the terminology of further education to include those in the colleges and the universities. So it is very difficult to give a clear-cut answer in terms of that.*

**Journo:**

*But just a follow up question, I need to understand what does the Department of Education have its own definition of, or its understanding of this section 29 right. They're saying that it's open to interpretation but at least I need to know from your side as the department and whether you have a position.*

**Dr Van Starden:**

*In the beginning in our planning we have not considered higher education to be incorporated as further education because as we have been structured and there was a whole debate in that department because therefore we have used their high education nomenclature not anymore, we've changed to university education. Because of the un-clarity that clause has been provided.*

**Journo:**

*Are you saying that in according to the Department of Higher Education that there is no right to university education for example.*

**Dr Van Starden:**

*No that's not what I'm saying. what I'm saying is that in terms of the terminology when used and the debate within the department, they was not a clear understanding what that- at that time was meant when the Constitution was regarded, we in the university sector, has the in viewed that that it is a possibility to be further, but in terms of our structure and how we function as a department, further education meant a certain dedicated sector.*

**Journo:**

What is the department's understanding now? Because there was no clear understanding or at the time, what is the understanding now.

**Dr Van Starden:**

*Can I ask a counter question? Does anybody really in-understand what was meant? I think we need to go back to the drafters of that- that clause, that we can have an understanding at this moment it is open for debate, I think nobody knows. And wants to actually define what is meant by education.*

**Journo:**

*Dr.*

**Judge:**

*Really. What it's saying is that there is a progressive development of the right which is stated that everybody has a right to further education but it's accepted in the section that that right is not complete at the time that the Constitution was enunciated but that is a progressive something which will be progressively developed. But must I ask you something in addition two other aspects crop up frequently in the present context one is the freedom charter, and the other is promises made apparently by the ruling party in relation to the provision of free education. Do you regard either of those as control your, or providing you with a mandate or an obligation. Or do you see yourself purely as Defined by the right in section twenty nine. Well, is it Ms Noon or Dr Noon or...*

**Dr Noon:**

Doctor

**Judge:**

*Well- whatever. Ms Noon would you- can you answer that question?*

**Dr Noon:**

*No I don't, I mean I think that we I would, our DDG for university education has given substantive presentations on this and it is a complex issue. I think that what we could talk to is in a way how as a department in our legislation and policy we've interpreted it interpreted the right. In Particular in terms of what it means to provide access to higher education and to progressively make that available. But you know we hadn't we haven't as a team prepared for that discussion and I wonder if It wouldn't be better*

**Commissioner Khumalo:**

*No, i was going to suggest that if no thought has been given today and you've had the line of questioning of everybody concerned, If maybe though evidence lead us we can get further engagement on that because I think what you want to establish is on what level are you operating in terms of this. What is your current operational now strategy based on what the right progressively wants to provide. And I don't think we're able to get that unless we get I don't know if Advocate Pillay would allow for that in future.*

**Journo:**

*Thank you Commissioner Khumalo we know that the minister is coming to testify in a few days and obviously this is an extremely important issue not only for the commission but also it's an issue that's been raised by almost all of our stakeholders. If we can ask that the department comes at the clear position on the interpretation of the right. And how that interpretation would fix the planning of the department because that's really what we we're interrogating.*

**Commissioner Khumalo:**

*Thanks will pass that that on. I think it is important and I think that I mean one of the challenges of course is that in fact that here in this commission we are actually debating the very core of what of what it actually means but we will talk we'll put it in our briefing for the minister and ask him to address it.*

**Judge:**

*a question or your influenced at all by the freedom Charter or the by the statement of the ruling party in 1993 or 1994 whatever it was, to the fact that everybody will get free education, free higher education?*

**Journo:**

*As far as we understand the government's position and the position is of the A.N.C. has never been that there would be free higher education for everyone*

**Judge:**

*Well that's fine*

**Commissioner Khumalo:**

*the position is free higher education for the poor to be progressively made available and the position of the department has been to progressively provide funding to make higher education and other forms of education as accessible as possible to the poor and increasingly to the working class and even middle class students to provide support and so the that policy position is very clear at the current time. In actual fact the system is on tenterhooks. You know waiting for some of these big debates to be realized in fact that the issue really is about, at the moment is about affordability. And again this presentation is not focusing on that but that they will have been or will be presentations from the department that would reflect on Issues of affordability of fee free higher education a free higher education but I can state very strongly that the position of government Is to provide, is not to provide free higher education for all but two For provide to work towards the provision of free of free higher education for the poor and fee free higher education in particular and there's been great strides made towards that through- through the funding the amount of money that's gone into in NSFAS which is the funding vehicle*

**Journo:**

*Sorry Mam', over what period? The position of the department that free higher education should be made available to the poor and over what period?*

**Commissioner:**

*That's' a good question, the progressively available is the is the position of government. I think I mean I think in part I mean I think in part it's not it's not a question for one It's not a question for one person or even one department. It's a question that Goes to the heart of what is affordable as a country, what how budgeting takes place. And of course take questions of however our interpretation of the Constitution and my understanding is that*

*that range of questions would be debated here. What government. Has done and what our policy does at the moment. Thank you for this is going to answer as well is to try and make. A higher education and per school education accessible to as many people as possible within the bounds of what we can currently afford.*

**Journo:**

*So then Mam' you understand that department's understanding of what section twenty nine says would impact on the department's planning. You've got planing for to provide higher education to a number of people. So it should be based on your understating of section twenty nine, if you don't understand, you, the department does not does not have an interpretation, an exact interpretation of section twenty nine. It makes it very difficult for department to plan.*

**Commissioner:**

*Is that a question or is it a statement? Sorry.*

**Journo:**

*No, It's the question is that how can the department plan properly if it does not have a clear and proper understanding of section honest in your position to know. That a man's other pieces of legislation that. If they mandate. Mr Patel is a D.J. for the T.V. It colleges. Must Act. Section twenty nine doesn't it. Factor into the cost of education. It says everybody has a right to further education. It does twenty nine.*

**Commissioner:**

*Amongst other pieces of legislation give that mandate. Mr Patel, he's our DDG for the T.VET Colleges.*

**Judge:**

*Section twenty nine doesn't in fact say anything at all about the cost of education. It says "everybody has the right to further education". That doesn't mean to say that it has to be paid for by anybody else.*

**Mr Patel:**

*Am I going to be sworn in?*

**Judge:**

*Yes, you are Mr Patel, Mr Farrows Patel? Is that correct?*

**Mr Patel:**

*Would you swear that the evidence you're about to give will be the truth, the whole truth and nothing but the truth?*

**Mr Patel:**

*Yes I do.*

**Judge:**

*Say "so help me God" Mr*

**Patel:**

*So help me God*

**Judge:**

*Thank you*

**Mr Patel:**

*Thank you. And I'm just coming in with regards to the question of how does the department plan, I'm only going to be able to speak to the area that is my responsibility, and that's T.VET Colleges. The Number that is shown on the previous slides, on the two point five million is a target figure, that the department and the white paper has taken, for planning purposes so definitely it's a target for twenty thirty. Subject to the availability of funds. So part of our task always is to make sure that we've tried to get the resources through the processes of the state in order to make that target a reality. Secondly, in my role when I was responsible for planning, is that the junction of the constitution is that both A.N.D refer to the whole education system. With basic education, is that area of channel education and training? Further education in a generic sense, because defined in the constitution, refers to all other education after, further. So that it would include higher education, that was the definition that we utilised in regards to, to that. thirdly, you honour; the freedom charter is a document that guides the governing party, the resolutions of the governing party who encapsulates the issue of the progressive realisation of free education for the poor, both the Mangaung and the Polokwane conferences, did make a determination of that and it was taken into the governmental work. So for example the freedom charter is very clear in regards to higher education and it says that higher education will remain accessible and available to all, based on merit, bursaries and subsidies, so there is a limitation in regards to that particular area. The two conferences, one of them took a resolution in regards to higher education up to*

*undergraduate level, would be free to the poor; and were repeated in the subsequent conference - Thank you.*

**Judge:**

*Thank you. You can proceed if you please and don't attempt to debate this question. And further you've done your best through you own evidence and that of your colleagues to present us with a position. Whether it's enough or whether it isn't enough; whether its right or whether it's wrong we can debate between ourselves and if we have further questions, we can ask you.*

**Thandiwe:**

*OK. I think that in the submission that the department provided to the commission that we acknowledge that these are as much political questions as they are technical questions and the question that relates to the Constitution are very much political questions as well. This is an overview of some of the Policy and legislation that relates to the post school environment. The intention is not to go through all of these policy documents here although I suspect that between us we probably could give you a very strong sense of what is included in all of them but rather to give and idea of the complexity of the post-school system and the legislative environment with which within which we operating. Primarily here today we're talking about the white paper for post-school education and training. Which came out after the National Development Plan and though there are some differences in the approach and targeting for the most part they are broadly aligned that we are also subject to the whole system is, post high school system is subject to the Skills Development Act, the National Student Financial Aid scheme act, the national qualifications framework act, and there are a*

**Thandiwe: \*Continue\***

*range of policies they're not all listed here that are relevant to the full system including the, Central application service policy which is now in place, the R P L recognition of piloting policy, articulation policy minimum mission requirements for universities currently under review, workplace based learning policy framework. Many of these policy frameworks are in relation to acts. what we also have is legislation that relates to the higher education sector specifically that goes back quite a long time so we have a higher education that act that first came into place in nineteen ninety seven.*

**Journo:**

*The central application systems; can you explain them a bit more?*

**Thandiwe:**

*Yes I'm going to ask Dr Van Starden to explain it because it's projects.*

**Dr Van Starden:**

*In terms of the centre up occasionally system and service is a process which the department put into place to provide equal opportunities for state applicants into the PSET, not only university education but any other kind of educational opportunities for instance and it is envisaged, we are planning it, we have drafted the policy framework now for public comment is that when a student coming out of a college or of out of school wants to apply for further opportunities if they can use the constitution within, then they should go through the central application system and therefore in terms of the applicants that want to access higher education they will give for that accessibility. What it also does it is then recognizing students that do not comply with the Minimum admission for universities that can be redirected to a college sector or to the skills development programs that offer throughout SETAs. So then...*

**Journo:**

*Does it mean the right of the university is to make a determination as to who they take or is taken away?*

**Dr Van Starden:**

*No, it does not because that still within our higher education act, it just facilitate and coordinate the application process into the PSET educational institutions.*

**Journo:**

*Sorry; what role are you going to play then if there are going to be these systems; central application systems.*

**Dr Van Starden:**

*So for instance if it can be concrete in my example a student will apply through the application system, the student will indicate his or her choices up to ten, to whatever university. Currently it's a very limited, if a student applied to a university that person needs to pay that application fee and sometimes it is up to five hundred for one application. So that kind of mandate are taken away through the centralized application to make it more affordable to have one fee at this moment to be thinking about two hundred rand, being that student can apply for ten opportunities at any university or college or SETAs. I think any kind of program. And that is*

**Journo:**

*On that, what's the current situation? I know there's a C-O office, is it in terms of this policy? Or does this report to maybe improve on that?*

**Dr Van Starden:**

*The C-O is only for the four KZN universities the intention is that they will be brought into the Central application system because this is going to be a national system for all our educational institutions, it is however excluding your agricultural colleges, your nursing colleges, your --- care colleges. Those colleges that's not under the ambit of the DHET.*

**Journo:**

*Broadly it's an accessibility mechanism.*

**Dr Van Starden:**

*Affordability, easy access to university, college and skill development programs.*

**Journo:**

*So in terms of this policy when it starts working, all post matric can that apply for this. It's not only varsities?*

**Dr Van Starden:**

*Correct, so with other words if you want to go to a college sector and you don't get access to a university that opportunity is available. I just want to answer the question of Adv. Zulu quickly, is that mission selection and admission process will still be the mandate of the university so we facilitate and saying to the universities "These are the applicants in your program" And then they will apply the mission policies in terms of the selection of those student to enable registration.*

**Adv. Zulu:**

*But in the context of what is happening, the students are demanding free education, and you are saying that the department is charging them two hundred for these applications.*

**Dr Van Starden:**

*So we have developed a position paper on that in terms of the fee free education position of that department that entails then that the government will have to carry this entity, If that is then going through it off about two hundred million rand per year, so we have provided that kind of position of the department as well. But that is the implications yes.*

**Adv. Zulu:**

*So if the department doesn't charge any fee. How much would the government have to pay?*

**Dr Van Starden:**

Sorry

**Adv. Zulu:**

*Is it the two hundred? Give the government-*

**Dr Van Starden:**

*Our estimation is about two hundred but then it also reduces some operational functionality of the central application system because then you don't need to bring in financial management system so it reduces the operational function on that as well. So they are pros and cons which we have alerted the minister to.*

**Adv. Zulu:**

*Sorry just excuse my ignorance. This system that is linked to universities, if you apply to the central system, does it alert universities that there is an application? How does it -*

**Dr Van Starden:**

*Yes, it will be transparent so any kind of application that is submitted to the central application will be visible to those universities, they will have access to the database as well.*

**Journo:**

*Just on the practical side of things. Does it mean every child who has passed? You know in the paper comes that results come out if the government is paying as per the position paper. It means no money, no fee can be paid by it means any child can just go through this without paying what is the practical application of that?*

**Dr Van Starden:**

*That is the in the intention with other with other words any child who wants to study at a university, college or through a skills program has the privilege, that's not the correct with has the in the right to then access that kind of education; the intentions to make it open transparent. What also happened at this moment a lot of the students applied to a university of bright student, what we found then don't get access at that university because these limited spaces but that student did not apply to any of the other universities and then we*

**Dr Van Starden:\*Continued\***

*Found there's no place anymore at any of the universities; typically of our L.L.B. programs are in the M.B.C.H.B. programs and that - . So what this system will do is that if student then apply for M.B.C.H.B at university of Pretoria for instance, and there's no place, then this system redirect the student immediately in terms of the admission requirements to another university where there's still space open.*

**Journo:**

*Just the last follow up. So when you're doing costing for potential fee free as you guys refer to it, this would be part of the costing for it.*

**Dr Van Starden:**

*The Costing in terms of fee free Remember that is based on clause fees. This is a precursor before the clause fees. Currently the students are paying that as part of the clause fees, for instance if you apply, no does not sorry. I'm confusing it with their registration fees, the application fees is at this moment totally separate from any of the clause fees that all sourced from the applicant.*

**Thandiwe:**

*And one of the problems is that when you apply to a university or more than one university. You have to pay separate application fees to each institution at the current time. And so this will avoid that and make it more affordable people to actually-*

**Journo:**

*No, I understand that I was just tying it up with what Adv. Zulu with saying that another request is that Students are saying they have to pay these application fees so you saying if government carries it become part of the cost that is being discussed to us at department of education.*

**Thandiwe:**

*OK. So where did I get the list of policy and legislation which is giving you some idea of the scope the Higher Education Act has been in place since nineteen ninety seven, and most recently amended early this year. Early this year through a quite a consultative process. White Paper three which referred to the program for the transformation of higher education also came out in nineteen ninety seven and the white paper refers to it still being in place in terms of its broad policy goals. What we, what then followed the white paper three was the national plan for higher education. Which is in effect the plan that has been driving the transformation of the university sector since two thousand and one, what we are currently doing is revising that national plan and once the national plan for PSET comes into place it will effectively replace that national plan for higher education and this should be sometime next year. Depending on, Parallel processes such as this one. What we also have in terms of the Higher Education Act all universities statutes. Its University is governed by its own statute. And then we also have the continued Continuing Education and Training Act which*

**Thandiwe:**

*Governs the college system and more recently. It's not the only one but more recently the National Policy and community colleges which has come into place to guide the way in which*

*we're developing the community college system. There are also regulatory frameworks. For example:-*

**Journo:**

*on the, sorry the last one: the national policy on community colleges, I don't know if you can speak to, if it's being implemented, what's the situation because I know it came to effect this year. Or is it does coming up later in the presentation?*

**Thandiwe:**

*it does come up later, It is being implemented, it, I would ask my colleague Dr Mahlobo who is the DDG in that section to talk to if you would like-*

**Journo:**

*No I know in the last occasion there was a bit of a presentation on it but maybe if you contextualise it.*

**Judge:**

*Dr Mahlobo, Please put your name on record.*

**Dr Mahlobo:**

*My name is B. Mahlobo.*

**Judge:**

*Do you swear the evidence you will give will be the truth, the whole truth and nothing but the truth?*

**Dr Mahlobo:**

*Yes I do*

**Judge:**

*"So help me God"*

**Dr Mahlobo:**

*So help me God*

**Judge:**

*Thank you*

**Dr Mahlobo:**

*the national policy when coming to college was developed as an instrument mechanism to take over what used to be adult education from the provincial sphere to the national sphere and basically the- it is crafted in so such way that it indicates the process of establishing community colleges and the intent of in the long run, Depending on availability to funding, how many community colleges we allow it to have. It also makes provision in line with the continuing education and training act on how the colleges will be governed and how the community colleges will be will be managed. And what is the program mix that can be found in a typical community college. Basically it takes, it deals with those issues and we developed it as the initial policy for the administration together with the administration and management of community colleges as they stand now.*

**Journo:**

*Sorry, in terms of the policy, what is the target? The age group target for, for the beneficiaries of this?*

**Dr Mahlobo:**

*The statistics which was mentioned by my colleague earlier. We are basically targeting the youth and adults who have not had an opportunity to the right as right as envisaged in section twenty one. in other words, the right to basic education and as a result, if you are older to a point where you can no longer be admitted into the schooling system. And this is the error where you come in. That is why when we look at the-*

**Journo:**

*Just on that, have you established what is the eldest that you can get admitted into schooling system, is there a limiter there?*

**Dr Mahlobo:**

*There are limits per grade for instance; a fifteen year old cant to go to school and do grade one,*

**Journo:**

*That person will be your-*

**Dr Mahlobo:**

*That person has got to come into the community college system and that this why we have not provided for and we have not provided for an upper age limit. Another example I'll give is that a student who has not completed matric or the NSC. And they have at least tried three*

*after the first exam then that person is no longer the responsibility of the basic education basic education. It becomes part of our community college system. And also in the community college space, we are trying to do a program mixed sized that the adults who want to read and write, they can be provided with that opportunity as well and the adults*

**Dr Mahlobo: \*Continued\***

*Who want to do skills program. in other word, this is the space which we are accommodating, in the for instance; the general education household savings of twenty sixteen there is one point seven people older than twenty who have no formal schooling at all. Three point seven four eight Of people who have some primary education but didn't- And this is the space in which all of those numbers aspirational should come in but subject to the capacity of the state to fund the community college system.*

**Journo:**

*Mr Mahlobo sorry, can I Just understand, are they is place or the department is at a planning stage? Do you have community colleges-?*

**Dr Mahlobo:**

*yes we have got nine of them with three two seven six centres'. in other words there a community college and under it are subsumed community learning centres. we have nine community colleges, one per programs. - Yes we are.*

**Journo:**

*so is the eighteen million referred to by Dr in the earlier, include the current, Numbers in colleges? I know she said it's aspirational, but I just want to establish there that numbering. especially if you're saying it's what you are basing it on twenty nine one, where in the eighteen million are the community colleges numbers?*

**Dr Mahlobo:**

*can I just make a correction; if you aggregate the figures I am talking about, the will give you eighteen million. which has got nothing to do with what is in the colleges and in universities and in the community colleges, pre twenty sixteen, in other words this is a separate figure in the policy that we indicate that there are eighteen million people who could benefit from community colleges due to the fact that they did not go to school or the have matric about twelve point seven nine; twelve point zero nine of them are students who have grade ten, grade eleven but they do not have a matric. and they are beyond the age of twenty, potentially those are the people who could come in, when you aggregate those figures, they you give about eighteen million people.*

**Journo:**

*is that how it was presented earlier? I thought the eighteen million included all those other figures of post school education. -No?*

**Dr Mahlobo:**

*no, in fact were, chair, I do have to make a correction, that figure if you read the general household serving, published yesterday, does not include students in colleges currently and students in universities currently. even in the description twelve point seven-nine are, which is sixty four percent of the eighteen million are people who have no matric and so they couldn't be in the university system, neither are they in colleges. and when you aggregate the figure, it gives you eighteen million.*

**Judge:**

*Thank you, I think we should move one.*

**Journo:**

*I see it is almost twenty past eleven, is it convenient to that we should adjourn for tea at this stage or we can continue?*

**Thandiwe:**

*In that time, so the white paper for PSET, which I'm going to talk primarily to, tries to provide; well it does provide a coherent policy vision for the PSET sector, and it aligns broadly with the goals of the N.D.P. It has five major policy goals the overarching goal of the white paper being to provide an expanded effective and integrated post-school education and training system, understanding where we came from which was a higher education system. Largely legislated and driven by policy and its own space, FET college system, System of adult basic education and training and all of these located within a broader education department and then a skill development system that was located in the Department of Labour. There was a need for a coherent policy document that would talk to that what this new Department of Higher Education and Training would do. The overall goal, the One policy first policy goal talks to a post school system that can assist in building a fair equitable, nonracial, non-sexist and democratic South Africa. that's part of the paper talks about addressing poverty Iniquities and targeting also the targeting of unemployed youth. It's the overarching it's an overarching goal for the new post school system talks to the need for responsiveness. In a way we've been talking about that with the numbers of people who potentially served by the system, the responsiveness to the needs of society and those who require education and training opportunities and have not been able to get them. It also talks to articulation with*

the schooling system because we need to provide for both those who articulate out of schooling having completed schooling as well as those who do not complete schooling and need to access education and training opportunities and so in that sense it talks to both the successes of the education basic education system and its failures in a way those who drop out. The second goal is about creating a single coherent post school education and training system. This is not as you will see from the diversity of people here and from the range of the system. A simple issue. It's about creating coherence in a sector that has not previously been coherent. It's about bringing together different subsystems some of them operating very much in quite a discrete way like for example the university system and it's also about ensuring co-operation between institutions alignment between **Thandiwe: \*Continued\***

them and in particular articulation which is about ensuring that there are no dead ends for students that they are able to move within and between Post school education and training opportunities and then to until two thousand and nine. Most of these sectors operated largely on their own, they were separately planned and they were conceptualized as separate sectors as you will see in a way from the range of policy and legislation that still exists. And so this has had multiple effect on the system and the white paper PSETA has really been the first attempt to coherently link those subsectors and in actual fact we are continuing their process with the national plan process. So in many ways although we are doing it. We are it's a work in progress. This creation of a coherent post school system. The third goal is about expanded access the issue with which is partly about. Let me start again expanded access, improved quality and increased diversity of provision expanded access is about the targets that we have put on the table to say that we need to grow the enrolment in our postal system in particular at the intermediate and T.VET. level but also in the other parts of the system that we need to improve quality is not a minor issue. We have Various levels of problems of throughput of students. In the university sector and other parts of the system that while we have maybe created greater access for larger numbers of people we haven't necessarily created the opportunities for those people to succeed in our institutions, so improved quality is in that sense refers to the level and depth of student success in our system. It's also about providing relevant qualifications and coherent qualifications across the system that is able to create to respond to the wide range of students and the need. And that's what

**Journo:**

to interpret in that, yesterday a question arose about the students requests of decolonisation of Education does this diversity speak?

**Thandiwe:**

No. Not directly this diversity is about the range of programs and provision that we provide in the system. What are the qualifications that students have access to? what are the, Learning pathways that they have access to I would say the decolonisation issue is much more closely

*related to the kinds of curricula that are operating in the system and the way in which teaching and learning takes place, who teaches how they teach and-*

**Journo:** *is there a position in the department for that?*

**Thandiwe:**

*I will talk to it, it's I will talk to it I think it's quite complicated. It's particularly complicated because in the university sector the department doesn't make curricula. It's universities that develop their own curricula and universities are autonomous in that in the sense in that sense. So while we have a quality assurance system that ensures a certain level of quality of provision. It's the curricular curriculum development is a is an issue that is located at the*

**Thandiwe: \*Continued\***

*university. So as government we can give we can give broad signals about how we want the system to transform and we do that through policy but we can't necessarily determine the correct, we don't, determine the curricular of universities themselves. Thank you- Looking to my colleague there. So that so that is really about. Diversity of provision is also about affordability it's about ensuring that there are a range of opportunities available for people. And then diversity. It's also about responsiveness but there's a policy goal and responsiveness to the economy. If I can say. One of the problems that we have faced in the T.VET sector, Has been the very basic. You know, So it's about being able to cater for a broad range of students. It's also a bit of a moving target as you will hear from us that expanded access depends on what fiscal amounts we have available to us and so we can only expand to the extent that we are able to afford to provide and we -*

**Journo:**

*Just on that: if you were to afford, how far would you expand?*

**Thandiwe:**

*So the policy in the expansion goals are outlined in the white paper so the two point five million et-cetera, what we have experienced and I what we what we have had done is a costing of the white paper which was a project that Treasury undertook, finished earlier this year I believe that the documentation has been a made available to you. I am Not going to talk about it because the it's needs its own it probably needs its own session but what that did show very broadly was that number one; our policy targets may be very difficult to achieve in the current fiscal climate. Given that there were premised on a higher level of economic growth. And that, What is more expensive is expanding access and improving quality at the same time because if you expand access to post school provisioning you not just putting more and more students in the system. If you want them to succeed in the system you have to invest in the kinds of teaching and learning resources, the kinds of*

*students support mechanisms adequate staffing, well trained staff that are going to then be able to support those students to succeed. And so actually expanding access and improving quality is the most expensive policy goal. And that that project has provided us with tools that we can use to discuss some of those possible trades-offs. But as far as far as our policy goals are concerned we are concerned about expanding access yes, but not at the expense of improving quality. We have to be able to offer our students a better quality education and an opportunity succeed, it's not enough to allow people access to institutions and then for them to drop out for various reasons. And as we know those includes finance as well as the kind of academic support that they might have access to. It's a very it's particularly complicated in col- and universities but it's also a big issue for the T.VET sector. The fourth policy goal is about a stronger and more cooperative relationship between education and training institutions and the workplace and this is critical for especially for the T.VET. sector where we have had limited workplace opportunities available and where the kinds of qualifications that are being offered and which we aim to offer in the T.VET. colleges should really do require some level of workplace experience and so there's a closer working relationship required between the public colleges and the workplaces and the skills*

**Thandiwe: \*Continued\***

development Levy system the SETA system play quite an important role in supporting this. And the white paper actually gives quite significant attention to this area. The fifth policy.

**Journo:**

*Sorry to interrupt you again, on these I know it's been coming out a lot that for the N one qualification a child needs to be placed somewhere to work, are we able in terms of the goals of the numbers that you want to own the T.VETs that we are too able to achieve this. As a discussion point.*

**Thandiwe:**

*OK you know that's important question. In actual fact to obtain a diploma You have to you have to have worked- Workplace experience after completing the end-qualification and the are many students that don't that don't make that I would if it's OK with you prefer to discuss it under the challenges facing the T.VET sector. And then my colleagues can come in with more detail if they want to. It is that it is a very important area and it's something that we are focusing a lot of attention on. And the fifth policy goal covers the post school education and training system that is responsive to the needs of individual citizens and I think we've talked a little bit about that in terms of particularly the provision in community colleges but in every way and also of employees in both public and private sectors as well as to our broader social and development objectives and this policy goal really is about how it covers the whole system and it's about ensuring coherence about responsiveness and provision we recognise that there are many areas in which the post school system is not responsive to the needs of the economy. There's a great deal of work going on To try and improve the way in*

*which we do skills planning and the way in which we are able to marry skills, supply and demand. That's also something that we will talk to later. The university system has huge expectations on it. It is expected to be responsive to the economy. It is expected to produce knowledge for the country and is expected to also play a role in social cohesion and many other areas the N.D.P. is particularly expansive about what universities should do. Where the white paper give significant focus is on the intermediate level. Especially of Vocational Education and training and the gap in our system in provision really for those who have left school and those before and after matriculating who require the kind of qualifications that would lead them directly into workplace opportunities. So those are the very broad policy goals and that's I'm afraid I'm only slide number six. But there are only twenty.*

**Judge:**

*At the moment we will adjourn for ten minutes. Thank you.*

**COURT RE-CONVENES>>>**

**Judge:**

*Thank you. Ms Thandiwe, You're still under oath would you like to proceed?*

**Thandiwe:**

*I will do so. Just to briefly talk to the fact that we are developing a national plan. The reason why I am telling you about it is because we are as much as we are implementing the white paper as the department we are also still engaged in discussions about how we will implement the white paper until the period- From the period twenty seventeen to twenty thirty and we are as I said also looking at replacing the national plan for higher education which was released in two thousand and one and is now somewhat out of date but the plan will provide a blueprint for expanding and the system, the post school system. Just to make the point. That's a part- part of what we are doing is apart from planning as a PSET system for the first time there are parts of the system that one could argue have been maybe poorly planned. Certainly in relation to the higher education sector, higher education sector has been well planned and well served by quite a strong policy framework for almost twenty years whereas other sectors have been subject to a number of shifts and changes in particular, The TVET sector which has you know changed over time; old Technical College is then developed into FET colleges, there's been a range of ad-hoc initiatives, the changing mandate of the college and quite a lot of confusion about the purpose and the qualifications*

*within the system and it's the legacy of that, that in part the white paper tries to address. So we are trying to develop a road map for the system going forward. It's. It's actually something that needs to be aligned with this process as well because whatever you know whatever recommendations do come out of the presidential commission. They need to be factored into our planning for that period to twenty thirty. And we will have to at some point aligned those two processes we are looking at growth and development scenarios. Why we are doing that is because the targets as costing that we have done is showing the targets for the PSET sector. May not be affordable and achievable both in terms of the kind of. Fiscal amounts available but also in terms of how well we can grow capacity to grow the sector so that we have to look at issues like staffing and infrastructure and how we would improve student success as well as just growing the numbers in the system we do have these models that we can use to look at the financing of the financing that's necessary for the sector but we are in that process at the moment. We need to look at ways of better integrating the sectors as I have said. Why I am being tentative about it is that I will talk to the policy goals and the policy challenges but it's important for you to understand that some of those are still being and are still under discussion. So I'm going to talk about the TVET colleges first because the white paper, Talks about the TVET colleges as the koala's the college system in particular as the cornerstone of the post-school education and training system. If you look at it from outside you would assume that universities are what's the white paper for post-school Education and Training does is to try and shift us into a broader understanding of the kinds of opportunities that are available. Sorry I'm not being very good at that, which is available in posts post-secondary education and post schooling. And so the technical and vocational education and training sector is-is-is very strongly placed in the white paper as the key area*

**Thandiwe: \*Continued\***

*key area for growth, the N.D.P. also places very strong emphasis on our need to provide better quality and greater opportunities in the vocation into intermediate level, vocational education training; TVET actually takes place in a range of institutions it actually takes place in school. Even in the N.S.C. there are many vocational subjects, the D.B.E. is busy as recapitalized the national, the technical schools and so TVET It takes place in technical schools. It takes place in workplaces, it takes place in private, colleges in state owned companies and it also takes place in the universities of technology. So, what we are talking to primarily in the white paper is the public TVET college system made up of fifty public colleges and two hundred eighty seven campuses. And just to note that the white paper itself is the document that actually changed the name of the colleges from FET colleges to TVET colleges. It's not just a name.*

**Journo:**

*Just on that, on When does it stop being DBE and then it becomes Department of higher Education when it comes to TVET, seeing is the earlier admission.*

**Thandiwe:**

He's also OK that it's a very that's a very important question, at the moment the TVET colleges cater for Learner-s students that Have both left, the schooling system with the NSC who have matriculated in other words and those who actually haven't to leave the schooling system post grade nine. And so that Currently those there are a huge range of learners that are covered by the system. The majority have matriculated but not all of them have and it is really it's a question of and the policy. Certainly and the planning discussion with the Department of basic education their view of the post up to this.

**Journo:**

*What's the status quo and how do you treat it or use it per case.*

**Thandiwe:**

*Students can enter TVET Colleges prior to having matriculated and having matriculated at the moment, so they can come in they can come in with a post After they finish Grade nine they can come in at any point there, but the majority of students that are in the colleges are in fact those who have Gone through matric. Not necessarily all of them have past. The view of the department at the current moment is that we need to continue to be able to offer those opportunities for learners who have finished school and those who haven't finished school. The reason why we are a post school department and not a post-secondary Department or is precisely because we recognize that our schooling system is not able to accommodate everyone all the way through to the end of the F.E.T. phase. And in fact the N.C.V. which is one of what one of the primary funded qualifications in the TVET colleges is in fact in a an equivalent level to the matric, the Nationals are conational. And so it is possible to enter it, Prior to having matriculated. Obviously the students that do better will be those who have the higher levels of math and science. So but maybe that leads me into the main,*

**Thandiwe: \*Continued\***

*one of the main policy challenges of the TVET sector which is the qualifications in the TVET colleges. The White Paper says we must deal with the qualifications. It doesn't say how but it says we must deal with the whole gamete. As we sometimes call it the "gamut" government in the department of qualifications in the TVET sector looking at which qualifications should be offered. How are they relevant and responsive? How do they cohere with other postschool opportunities? The fact of the matter is that at the moment we have a slightly disjointed qualification system where you have the N.C.V. which is a generic vocational qualification. That ends at the level four of the NQF which doesn't provide any workplace learning opportunities but where there is quite weak articulation with the workplace. So learners that leave having the in N.C.V. don't necessarily get employment opportunities and also haven't found it easy to access our university system so they articulation problems of the N.C.V. but there is recognition in the department that we need to offer generic vocational certificates.*

**Journo:**

*So the ideal situation would be the generic Certification?*

**Thandiwe:**

*So no, the ideal-*

**Journo:**

*so that we have the exact figure on who falls under basic education and who falls under higher education? because it's quite, it doesn't give us exact figures in the current situation.*

**Thandiwe:**

*No we can't give you figures in the long term I can show you the enrolment figures if which I wanted to do, in the longer term. In an ideal education system. I think what you would have would be a schooling System in which is able to ensure that all school-going learners of school of school going age are kept in in the basic education system and probably in the long term with the development of the technical schools and the technical stream and occupational stream as the D.B. is now doing the calling it a three streams model. It may well be possible that all learners able to be absorbed into that system all learners of school going age but at the moment there are those who leave school at the age of sixteen or fifteen or sixteen who then have no opportunities and are currently being accommodated in our TVET colleges. So for at least the immediate term horizon and we will have to be able to provide some kind of access for those learners and that is being considered in this re-checking of the qualifications in the TVET sector. But just to give you an idea of where the learners are in the system. The bulk of students are in what are called the end programs which you referred to earlier, the report one nine one programs and you can see there's been incredible growth in that area, the report on nine one programs are the old theory part of the trade tests they were largely thought to be quite out-dated and then and then have picked up in the last-recent times but they are under review and ultimately where the growth is going to take*

**Thandiwe: \*Continued\***

*place is in the occupational qualifications which are newly designed qualifications that would include the theory workplace and practical components. And ultimately would become the mainstay of the TVET colleges. I don't want to talk in too much detail about it because it's still. Something that's under considerable planning discussion but the idea of the white paper is that the. Qualifications should be re-looked at and that we need to provide a range of general vocational and specific vocational subjects that articulate students into the world of work and the world of the work being the formal workplace but also self-employment and other opportunities and at the moment our evidence is that we're not doing that very well for the throughput rates in the N.C.V. are very low very few students are completing it in in minimum time very few students are getting certificated and very even fewer are getting directly related employment opportunities and so we there's a great deal of work that needs to be done and. The other issue. In the colleges is relates to differentiation. What you should*

*which colleges should be offering what-where. And we partly because of the way in which the system is being planned regional and responsive*

**Journo:**

*can I ask a question? are there tuition fees for NCV qualifications?*

**Thandiwe:** *the NCV tuitions fees are covered by the state.*

**Journo:**

*I didn't quite get the answer*

**Thandiwe:**

*the figures, the majority of students are covered by the state subsidy. The majority of students.*

**Journo:**

*what is the fee structure for this?*

**Thandiwe:**

*You know I'm sorry I'm really sorry but is it possible just to finish a point before I get a question, if I could just finish a broad policy point to those questions it would just be so much. OK.*

**Mr Patel:**

*No, thank you very much. The funding regime for TVET colleges is that they that eighty percent subsidy, all learners at TVET colleges, eighty percent subsidy the colleges need to raise twenty percent. That means the balance through fees. Then we have a second round NSFAS is able to fund the tuition fees for almost half of the students. So you know reality the fee will not exceed C.P.A.X. of ten percent of the total cost or ten percent of learners. so basically, we give them eighty percent, so the balance of the twenty percent, What we collect it from fees that could be spread over the whole hundred percent learners. but fifty percent of those learners do get tuition fees paid by NSFAS.*

**Journo:**

*your answer is that in respect of these NCV qualification, students could be required to raise a percentage of the fees.*

**Mr Patel:**

*correct, If they don't get NSFAS*

**Journo,**

*Mr Patel, but I think your point is, not only NCV; all students attending TVET colleges are funded in the manner that you explained. Namely the eighty percent, twenty percent only a certain percentage of the twenty percent. And so forth. So it doesn't relate to the program but relates each of the students attending TVET colleges, your explanation. is that it?*

**Mr Patel:**

*it's correct, in terms of the numbers that we fund, in terms of the enrolment planning, but colleges are free to take additional enrolments, and charge whatever they're able to a- cost you must pay. but also SETAs, contract colleges and sometime, in some case we insist that SETAs must fully fund learners. because we don't want them admitted to colleges and then have a difficulty in terms of paying fees*

**Thandiwe:**

*OK So one of the problems that we face is the relevance. The relevance of the offering in particular colleges and there are you know some quite striking examples but there are colleges in particular areas where there might be specific economic areas of activity and the colleges are not offering in those spaces and if you look at our data it's quite striking about, Who offers what and where so what we what we need to work towards is a system that. Where there is a proper involvement planning regime in the colleges and at the moment we have a somewhat ad hoc we have a narrative to somewhat ad hoc system. That also talks to curriculum relevance and design. Which is a big issue for the colleges both as I've talked to the N.C.V.S. and the end-programs relevance? There's a lot of work going on in this area. However. If we are going to change the qualifications regime in the colleges we need to also address staffing. Who are the staff that should be teaching in the colleges, how will they be trained? Teaching and Learning. How will teaching and learning take place what Will a*

**Thandiwe: \*Continued\***

*professional development opportunities be for lectures and we're looking at all of these things. there are initiatives going on in all of these areas. what the plan will do is to bring them all together in some kind of a coherent framework. strengthening management and governance is a big policy issue there's a great deal of work that's been done on this both in relation to the councils of the governance of the TVET colleges and in terms of a range of*

programs to strengthen the management of colleges the particularly the financial management of colleges. And then also strengthening the academic boards of colleges. Workplace linkage is already referred to as an overarching policy goal of the PSET system but one of the challenges the TVET college sector faces is that there are very few students who are able to gain access to formal workplace opportunities and there are certain qualifications where you need access to formal workplace training before you can achieve a qualification. This is a big area of discussion in terms of planning for the New occupational qualifications. a big issue in the TVET colleges is articulation- about articulating people directly into the workplace, into workplace opportunities but also about access to higher levels of education in particular the universities of technology and they are particular problems including. The lack of relative lack of the reconnection n of the in C.V. that have created dead ends for students that we are addressing expanded provision and access is a big issue. The White Paper goals show how much emphasis is being placed on the need for increasing enrolment in TVET colleges. However we are currently engaged in quite a serious process of looking at what we can afford as a system and on holding back on some of the growth in the college sector because we cannot afford to grow enrolments At the rate that we have Been growing them and you will receive evidence at some point from the TVET branch that will show you how underfunded the sector actually is for based on our own funding model for the colleges how what percentage of students we are actually able to fund. Another issue is the issue of the certification and examination system which is currently very expensive and unwieldy mainly because there's national examinations at a range of exit points and that will also be rethought through when we look through the TVET qualifications. And I've said it about the financing already so it's a major policy challenge is how much financing we actually need in the sector to achieve the policy goals that we've set out. But I think it's been a big issue has been the ad hoc system in the sector and hopefully we're resolving that now. I have already said that the TVET

**Journo:**

*Sorry to interrupt, when we are dealing with the workplace linkages. I mean it's important on the fact that if there's an investment that's been done on a student that there is some results. How far are you with that? the placement of TVET students in the workplace for qualification. and How does that work for the throughput ultimately?*

**Thandiwe:**

*I think. No, it's just that you said you'll deal with that on the policy challenges. And then maybe you just want to get a sense of are you winning with the work place and the companies. What are the engagements and how much does your enrolment and what you can place relates, just to get it sense.*

**Gerda:**

*Good morning. I'm Gerda M-*

**Judge:**

*I beg your pardon; your name is?*

**Gerda:**

*Is it on?*

**Judge:**

*yes.*

**Gerda:**

*Gerda Magnieas*

**Judge:**

*yes, do you swear that the evidence that you will give will be the truth, the whole truth and nothing but the truth? if you do, raise your right hand and say - so help me God*

**Gerda:** *so help me God.*

**Judge:**

*Thank you.*

**Gerda:**

*in terms of the, our qualifications, we have NCV qualifications that do not have a compulsory workplace component. we then have Nated programmes or report one nine one, it's the same thing; they just have different name or two name. at the N-six level, for a student to get a national diploma, in the engineering studies they need to do twenty four months of practical's on the business or workplace exposure, in the business studies it is eighteen months and really once the student has completed with the college, they are then; in effect on their own to find that work place exposure. now what then happens after the eighteen months or twenty four months they would come back and they would then put in an application into the college and we will then process it in terms of paper work and for certification. we have launched, in our department, actually through the skills branch and for that reason I think my colleague Mr Mvalo can also talk about this, a specific directorate that deals with the work placement, so we have really actually gone to quite an extent to ask all public sector, organisations and really some advocacy campaigning in terms of finding work places for students and however it still remains too little. i think that's the long or the short of it.*

**Mr Mvalo:**

*Thanks very much. I am Mzukile Christopher Mvalo*

**Judge:**

*Mr Mvalo, do you swear that the evidence that you will give will be the truth, the whole truth and nothing but the truth?*

**Mr Mvalo:**

*I do*

**Judge:**

*Thank You*

**Mr Mvalo:**

*Please, So help me God. Well what I want to make an illustration or an indication. Is that we can go back into twenty eleven. We signed what we call a national skills accord. the national skills accord Involved Social partners. So its business, its labour, its community and government. part of the commitments. Because we have realized that to this of workplace placement. It is a challenge and then you went to a net-lack. where upon we signed this accord, committing not only government but also business and to say it is making it business sense if you as the business you are opening up workplace opportunities especially for those young persons. whom it is that requirement for them to complete their programs. Whether it's In TVET college or else it is in our universities of technology and I must say there has been a progress to that extent and with regard to placement especially of learners from TVET that colleges. As well as universities of technology and what you have done further that was we introduced grant regulations. So these other regulations which are operating in this space of SETAs is a sector of education in training with authorities. The part of the dis-persement there, we are having that one percent. Which is the levy we are getting from employers. So forty nine point five percent, of the eighty percent because twenty percent will go to national skills fund then we are having forty nine point five percent of eighty percent which goes pivotal. amongst others in those pivotal programs it includes displacement around employers who are opening up and their work places. For placing a young person's And you would be aware that mostly in each and every economic area, we have a SETA whether it's in the local government sector, there would be a SETA whether it's in the area of safety and security and there will be a SETA. So they are meant therefore amongst others is to link the world of education as well as with the world of work and I must say also currently, there is a policy that was also part of policy prescripts that was illustrated on the workplace based policy. Which is the policy we are introducing so that it least at there is a standard or standardization with regard to all work place based learning areas whether it's your learnship or your internship and all of the, So the policy is was already signed by the minister. And now he is going to the cabinet and boast t cabinet we are going to do a*

*publication of that gazette where upon we will be inviting also further inputs from the public so there is work that is being done in this area but then of course it is not that enough but we*

**Mr Mvalo:**

*are doing the best we could do especially if you are looking into economic times where by the economy is not growing to the level upon which is anticipated, thereby having impact as well in workplace opportunities and thanks very much. I just wanted to add that small submission*

**Journo:**

*thanks for that assurance; the grand regulations are you treating them like as an incentive for the workplace.*

**Mr Mvalo:**

*Exactly,*

**Thandiwe:**

*Thanks it's a very important area of work expand both expanding and strengthening our workplace linkages and it's particularly critical for the TVET colleges. It's also important for how we align. The fiscal funding with the SETA funding available. So there is work going on in that area. It terms of the policy goals I've talked to about the need to strengthen colleges but it's not an it's a very important matter that we that we are able to grow while making sure that we have the capacity to absorb larger numbers of students and there's been a great deal of work done on improving governance financial management of colleges and they still work that needs to be done. They has as I said been a substantial increase in enrolments, a doubling of students between twenty ten and in twenty fourteen which is a very small period for such a large for such large growth and it's put enormous pressure on the colleges. And we can talk more about that if you want, improving quality is a big issue. I've talked about throughput I had some slides which I didn't, probably wouldn't have time to address but there are great concerns that students don't actually leave colleges with qualifications that they might and that they spend particularly in the N.C.V. that there has been quite a long time in the system and we don't have a learner record system in the TVET colleges yet. So we can't do studies in the way that we can through the high in the higher education system prehemas, but we will have the capacity to do that soon but throughput rates are relatively low in their lot lower than we would want to want them to be, it depends who you talk to in study trace a study that was done recently by some N.G.O.s that work in the area, you are looking at a throughput rate of about twenty six percent in the N.C.V. overall, which may be higher in some places it might may be lower but whichever way you look at it it's really worrying. It's really worrying and so we need to invest in improving quality which is complex. It involves having the right numbers and qualified gradually qualified staff. It includes addressing the curricular of spoken about and includes actually investing in mechanisms that support student success. The colleges do not have the same level of student success inputs in*

*a way as universities do the universities have developed them over many years. Quality Assurance is an issue that the white paper talks to and one of the problems with the TVET sector is that we have a slightly disjointed quality assurance system so we have UMALUSI quality assurance, the N.C.V. We have the Q.C.T.O. which is the quality counsel and trades and occupations that quality issues the noted qualifications and the work place, the SETAs*

**Thandiwe: \*Continued\***

*are Quality assuring some of the other programs and. If we go into the higher certificate area which is the levels five and six of the NQF then those would need to be quality assured by the Council on Higher Education. That that's an issue that we need to resolve in the TVET sector and we are in the process of discussing proposals that will resolve some of those issues, we've talked about the role of SETAs, Mr Mvalo has given us some idea, white paper talks about the establishment of side-set which is the South African Institute for vocational and continuing education and training and which would play a very important role in supporting curriculum development and development of teaching materials as well as the professional development of teaching staff. by one of my colleagues would have to say exactly where we are at with the establishment of side-set, but it is key policy goal to grow the capacity of the system to support our colleges in curriculum development in teaching and learning and in professional development of academic staff and I've talked to it a little bit but we clearly need to have improved data and information capacity in the TVET sector. We don't yet have the ability to track students by the ID number which is an ability we do have in the higher education system and we really need to be able to provide, get hold of that kind of grainy detail of what happens to students. Where do they go? Do they swap within programs within the system how long they take to complete, what courses are they doing et-cetera, And we hope to be able to develop that Capacity. Thanks. Are there any questions on TVET colleges?*

**Journo:**

*Well there's a lot of questions. I'm not sure if this is the time or the place to go into the legislative framework. That governs the sector because we had presentations from TVET principals who have a different interpretation of what is happening in the sector then from what the department and Mr Patel has to say about TVET colleges. So I'm hoping perhaps the evidence leaders can assist in terms of whether we deal with it later or it is dealt with in this particular session Mr Zulu?*

**Mr Zulu:**

*I don't know whether they are finished with the presentations then we can ask them questions*

**Journo:**

*Perhaps you could continue I will be asking questions when we-. When you've completed I will come back to various areas and deal with them.*

**Thandiwe:**

*Thanks very much.*

**Journo:**

*OK so. while we are on this slide before it goes, the sarv-set, is it- Was the legislative framework and is it going to be a new department- what's the plan around it? I can see it's going to be potentially- what would drive that?*

**Mr Patel:**

*Thank you, honourable chair, the sarv-set is the an entity to be established in terms of the continued education and training act, It's a support entity in terms of curriculum*

**Mr Patel:**

*development in regards to career development in regards to professional activities. so it is as yet not established, we have got some funding from the national skills fund, to begin to start a unit within the department to begin to build the capacity that eventually sarv-set would have as an independent professional unit or component of government.*

**Journo:** *does it have a decolonization mandate?*

**Mr Patel:**

*I think it's the right time to put it in now.*

**Thandiwe:**

*Thank you thank you very much. I'm just going to talk to two slides on the community college system. Because the white paper created a new type of institution for the system. Called the community colleges or the Community Education and Training Colleges and its set up some key policy goals for this sector. The key one being that we are talking about providing a wider range of opportunities for youth and adults of a range of ages who have if never finish to attend at school, opportunities for those who cannot enter TVET colleges or universities. Expansion of second chance opportunities. Those who may want to skill up or reskill in particular areas. And also critically to create sustainable livelihoods. They key difference between community college and other types of colleges that community colleges are located in particular communities the thinking at the moment being that We would ideally want to have community colleges in District municipalities whether or not we will be able to be able to afford to get to that number of colleges is a question that we still have to answer. I think that my colleagues talked about the range of people but this is really the sector that really has an opportunity to offer educational opportunities for people who have either You know dropped out of school or who have never finished school but also for adults who may be wanting to change direction. Thanks. who might have wanted to change direction? Change*

there May be in a formal job that that is becoming. or whereby they may want to you know. Have lost their job. And in particular a key thing is to allow opportunities for people to develop sustainable livelihood so there's a focus on entrepreneurship and on community based education and training needs it would be both a formal sector and an informal sector. A formal set of programs as well as what would be called non-formal programs. So you don't have to do a qualification in a community college they should be offerings of programs that may lead to a particular educational training need that their community has identified but I don't want to go into too much depth, you are welcome to ask questions to us because at the moment what we are doing is developing a vision and a set of parameters and framework for developing us that sector and the way in which the white **Thandiwe: \*Continued\***

paper explains that will be done is through a system of pilots and so what the department is doing is developing a range of pilot community colleges or pilot partnerships. In the community college space that will then allow us to develop models over time to work out what best works in that in that sector as Dr Mahlobo was indicated we have established nine community colleges those community colleges have absorbed all the public adult learning centres' that are existing in the system, public adult learning centres' are currently offering a range of general education, second chance of which unities for at this level of schooling for adults who haven't completed and they are at the moment about roughly three. Well less than three hundred thousand students in the system, the community college system is envisaged to be something much more than that. Yes it would be grounded in the need for having second chance schooling opportunities but it be much more than that it will include a range of skills programs available need to that need to be available for adults and youth and this community programs that we talk about. And so it's really important that we spend time to develop to think properly what we can offer in the community college sector the biggest challenge for us is going to be that by their very nature. They need to be flexible. They need to be provided a range of opportunities for a huge range of people with different educational backgrounds and that makes planning quite a challenge in terms of the limited Infrastructure that you need who are the educators, the lecturers that need to teach in the community college sector. If the demand is so potentially broad Those are the kinds of planning issues that we confronting at the moment. Another big problem in the sector is that actually it's a severely underfunded sector; adult education has been fairly marginalized for a very long time. There is absolutely no real funding available for the growth of the sector at the current time. At the moment it's got the tiniest percentage of the PSET budget about two percent. I think and that budget predominantly covers the costs of the salaries of the educators that are currently in the system but it by no means offers us an opportunity to grow a new system. So the pilots will be critical for looking at what works. And then in terms of -

**Journo:**

Just before you move to varsities, if priorities were to be made with fee-free education. Where would the priorities lie because you just said it's very underfunded? if that is to be rectified, in this inquiry the big ask is where would we put our emphasis, Ideally as a

department? Do we fund the mothers of the students or do you fund the students themselves? what would make better sense?

**Thandiwe:**

*I think it's the key issue for this commission. It's one of the key issues that this commission has to face and it's what one of the main goals of us coming as a department here is to try and give you a sense of the range of trade-offs that need to be made of the range of opportunities that we really should provide, I- our position as the department articulated in our commission in the commission submission is that we have to we have to be able to strengthen all the parts of our post-school system. Clearly if we are going to provide opportunities for the most marginalised in our society we need to we need to develop a community college system and if we're going to develop a community college system then*

**Thandiwe: \*Continued\***

*we need to probably we're going to have to invest in it and we're going to have to find the money to make it work. How fast we do that and how long we take to do that is a question that would be need to consider available resources if we want our T.VET College system which is critical for the growth of intermediate skills in the economy to grow and to improve. We have to invest in it it's currently underfunded and we need to improve it, if we want our university system which is and there are strengths in all parts of the systems in the university system is in a sense our strongest part of the system. It is it is an it's a globally recognised system it's a regional attraction for students from all over the region and from other parts of the world. In fact South Africa is the eleventh most popular international destination for university students in the world. We have to be able to sustain our university system and so for us there are obviously within that broader set of goals we're going to have to make some hard decisions about what we prioritize and how long we take to grow and how we prioritize, Improving the system and the quality of the system as well as growing it at the same time but we actually we have to be able to provide good quality opportunities at all levels. So we can't say take money away from the universities and give it to community colleges No but we do have to as a department put on the table a set of political, There in a sense it's a set of political decisions about how much we can afford to invest in the country in the different In the different parts of the system and we are trying to develop a plan that would offer some decisions in that regard about where we would develop and how we would develop over time but for us all the parts of the system are important. The universities; the big issue of sustainability. How do we keep the good parts of the system? how do we sustain the university system and how do we make it more affordable and we agree That it's not affordable at the current time for everybody? The TVET system How do we grow the opportunities at the intermediate level but also improve quality and fund it probably in order to do that and at the community college level. How much can we really afford to operate at that level but how can we not afford to do it when you're talking about potentially millions of people who could be served by a community college sector who are the most marginalized in our society. So there is no easy answer that question but if anything today our interests. We*

wanted to present the complexity of those decisions and in a way the decision that you face as the Commission or the advice that you have to give us in a sense as much as it's about Fee free higher education in the TVET colleges and the universities. It's got to be a question that looks at all of these things. Together we can't isolate them and then take one part of the system and say OK we're only going to look at student funding. Which is to a certain extent is what has been the natural. It's what's happened in the past year. So wrecking a strong case for community education and training I hope.

**Journo:**

*Sorry to interrupt. You're saying that the targets of the of the white paper are currently not affordable. am I understanding is correctly?*

**Thandiwe:**

Certainly in the- yes they are, certainly in particular particularly in the University and TVET sector where we have better costing information.

**Journo:**

*I just want to speak to a question of timing and when you realise that they were not Affordable because the N.D.P. does not speak of The progressive realisation. And I'm not taking you back to their debate but The N.D.P. and the White Paper do set a specific time frame, a time- frame twenty thirty. Now when you adopt a policy like that. Do you cost it and was this policy coasted of the targets where they coasted and if not does that not the reason now that you're finding that you have to now revisit and even reconsider some of these targets is that not part of the difficulty that you're facing.*

**Journo:**

*just before you answer, I just want to know what- What is the current head count for students in these communities' colleges?*

**Thandiwe:**

*It's just under three hundred thousand students it's about two hundred eighty five. It depends which figures we using. Dr Mahlobo will give us that figure.*

**Mr Mahlobo:**

*Sorry Mr Patel, you want to say something? you are given the opportunity to say something.*

**Mr Patel:**

*Honourable chair, Dr Mahlobo was going to speak but- the issue is that adult education is priority number one, it's a constitutional imperative, and the issue is that as a system we have neglected, the very people that we owed. so that's one of the reasons that the minister taken over the function of adult education, absorbed it within the community education and training but it is a constitutional right even over and above and higher education and training, I just wanted to make that - in terms of the question that was asked. But Dr Mahlobo wants to add the numbers.*

**Mr Mlovu:**

*The well if you go to inverted. If you go back to slide three. . And I trust. DR Mahlobo that accords with what your figures are. If you include the few centres which are with private providers the number is two seven five. But if the public provision is around two sixty two.*

**Journo:**

*So those numbers the graduates from these colleges, are they employable? which ties up with no question of the age difference*

**Mr Mlovu:**

*its interesting question which I'm not able to answer. With just to go over the function and we haven't even done tracer studies yet as to where do they go after completion.*

**Journo:**

*What's the nature of the curriculum? is it adult education only? is it vocation-specific?*

**Mr Mlovu:**

*The nature of the curriculum is first. This functional literacy programs in other words adult education level one, two and three and the functional illiteracy which the G.T.C. which is largely generic general education that is one part. what has happened also is that the students as I indicated those who have not completed. Matric or the N.S.C. and then they come into some of the colleges and they continue with this subject was they were doing in the under the D B E. In order to complete in order to complete the N.S.C. However some of the programs offered are occupation specific, some of these programs like carpentry and three will find in some of the some of the centres' some of the programs like brick laying. You will find inside of the centres' but not all of them. And those will be those people particularly which have been accredited by the sector education and training in those sectors.*

**Journo:**

*Now wanted to check that the N.Q.F. level if there's a difference between TVET and community colleges and what's the distinction when it comes to employee billet.*

**Mr Mvalo**

*indicate the form of the funding legislation for both T.VET colleges and community colleges argue for the point This subsystem of qualifications between level one up to level four but the movement at the moment as we try to implement the white paper at least we want to open the T.VET space for qualifications at level five and level six depending on Accreditation. Depending on institutional capacity to offer those programs and there is a discussion in the task team, that the community colleges can play into that space as well but it is far off. Given the institutional capacity at the moment.*

**Journo:**

*it just sounds a bit so repeated pitted. we were just hoping for went as its to- where is the actual distinction,*

**Mr Mvalo:**

*actual distinction between*

**Journo:**

*TVETs and community colleges when it comes to capacitation.*

**Mr Mvalo:**

*The chair in my response. TVET colleges' technical vocational qualifications in other words, largely, full qualifications. At levels at largely up NQF level four. in other words the NCV is up to NQF level four, the N-one, N-two, N-three. those are pitched to NQF level two, three and four. the N-four, five and six diploma in TVET colleges, one you have completed your workplace learning. the diploma is at NQF level six... And that is where communities in that space community colleges do not operate yet the moment they offer. General adult education in the form of up to a GETC and in the form of the completion the NSC.*

**Thandiwe:**

*Chair- If it's OK Can I just add to that I mean that question is really good question and it's something that we are actually in some ways through these planning debates still resolving. That. I mean on the one hand we don't want to define our education institutions by the NQF, So in terms of what level of qualification they offer because that's a limited way in which to design a system rather we talking about defining our institutions by their purpose. And so the differ and so we defining by purpose. There will be overlaps in terms of the types of qualifications and programs that are offered in both community and TVET colleges the real*

*challenge for the department will be to ensure that there's no overlap, direct overlap so that we're not wasting resources and the above-*

**Journo:**

*that's what I was hoping you'll help me, the return of investment on the beneficiaries in this system.*

**Thandiwe:**

*So. No. So I mean just to continue on that I would just note as an it's a big. It's a big question that has arisen in the planning in the planning process as we define and develop community colleges to ensure that the While they are allowed to develop into institutions that can also become institutions that people choose to go to rather than go to because there's nowhere else for them to go to that they would also then Be able to offer a range of programs but that obviously those programs wouldn't overlap with the TVET colleges and a big challenge for the White Paper implementation is how we use our infrastructure in the system and how we can share interest and resources across different types of institutions the community colleges big challenge for the community colleges is that there is no real physical infrastructure in at the current in the current adult education sector for the most part, learning takes place through school through schools and other types of institutions and in order to develop really within a financially constrained environment. We're going to have to find innovative ways of utilizing whether it's local government, whether it's TVET college infrastructure whether it's a whole range of other types of infrastructure schools as well to provide community education so that that's part of what we are planning on at the moment.*

**Thandiwe: \*Continued\***

*And that's covered most of it. The governance of the sector will also become an issue, the colleges are quite new and the Councils of community colleges are quite recently appointed. But given the community location of colleges they would need to be it's that it's not the same as a university council or a TVET a college Council.*

**Journo:**

*Hello, so, you please deal with the issue of the costing of the NDP target.*

**Thandiwe:**

*I'm very sorry about that-*

**Journo:**

*another issues is that, in relations to the issue of community colleges, your white paper says that, it envisages a Headcount of one million by twenty thirty. so based on what you are*

saying, you are saying that these targets, your own targets are not realistic, so you are not going to be able to achieve them

**Thandiwe:**

*Well targets for the white paper based on the targets in the N.D.P. as far as I know the N.D.P. was not costed. The N.D.P. was also developed at a time where economic growth was envisaged to be and there isn't a five percent per annum. And we are nowhere near that currently and have been nowhere near that for the past few years. So you know. Policy documents are aspirational. They do need to acknowledge the range of challenges in a particular sector they need to be historically located they need to contextualize why a particular system has got to that to that place but they also do need to be aspirational in the sense that if we are going to meet the broad policy goals of the N.D.P. we do need to provide more post-school education and training opportunities in the way that we've set out the targets, at least in the way that I understand they may have been developed through the N.P.R. in response to the need that was identified so if you take for example the figure of the not the needs, not in employment education or training at the time that the N.D.P. was being developed the figure that we knew from the two thousand and seven community survey was that there were three point five million young people who were not being served by between the ages at that time it was the ages of eighteen and twenty four who were not being served by a post school system and so that figure in a sense may have influenced some of the targets. I personally was not involved in the process. So I wouldn't want to talk to but it does make sense that we would talk about enrolments in the region of about five million when we're talking about covering the university enrolments etc. So the White Paper targets as I understand it were based on an alignment with the N.D.P. at the time for example the basic education department was also developing its action plan and it was closely almost entirely aligned with the N.D.P. targets because it was developed at exactly the same time so you may want to explore that question more with the presidency.*

**Dr Van Starden:**

*Chair, Can I just clarify that. Twenty thirty targets were based on an enrolment planning cycle of two thousand and ninety to twenty fourteen where there was a growth of one point eight percent planned the system against an actual growth of four point four percent. So what we have done is we've utilized that one point eight percent as a current average annual growth target within this system to project what to do in twenty thirty, Which was the mathematical calculation that's been made. So in terms of that it was aspirational because the next enrolment planning cycle really indicated clearly that one point eight percent is not achievable and that has been reworked and re-looked at in terms of the capacity of the system the resourcing of the system not only from the class fees but the whole financial enveloped that are being provided to see if that is sustainable and that clearly showed that it was not sustainable and we've revised their growth to one point nine percent in this system. **Thandiwe:***

*So just to clarify that's referring to universities. In actual fact the university figure was based on a realistic as Engeland described it was based on those and those possible growth figures based on because it is the area where we have a proper enrolment planning system - five year enrolment planned cycles*

**Journo:**

*I want to ask certain questions about these targets and the planning but maybe let us give you the opportunity to finish your presentation because I've got serious reservations and issue that I want to take up with you about this planning.*

**Thandiwe:**

*Sorry. OK so now I'm going to talk briefly about universities. About the area you may have heard more information. Obviously one of the main policy challenges for our university system is its funding. Is making university education more affordable and equitable. However this is not the only policy challenge for the system. There is a desire to expand the system and as Dr Van Starden has pointed out we have had to pull back on some of that expansion given the availability of public financing. But the real the core concern for the university system as we are articulating it in the plan is to improve its quality to while we have really significantly increased access to university for a range of students and in part through the kind of financing available through the NSFAS we struggle with success and levels of success. So while we've expanded and we've changed the student profile significantly. We really do have challenges in getting students through the system and. Although again we've seen in the last ten years with the fund with a new funding framework that actually we've made significant strides in getting students through the system and they have been improvements. Nonetheless there's still too many students that don't actually graduate at the end of their university education with a degree but also as you know probably have inequalities in participation rates. So while we have we might have an OK participation rate in higher education overall we have very high participation rates for whites and Indians and extremely low participation rates for Africans and coloureds and there are*

**Thandiwe: \*Continued**

*many areas where equity of success in the system is being masked. That is also an access issue and you will have heard from other people that have spoken to the commission about how few people actually end up accessing higher education it's particularly how few poor people actually do end up in the higher education system again a strong argument for why we need other opportunities for people. One of the big policy challenges also that our cohorts studies are showing that the throughput in distance education is particularly poor, one wouldn't expect it to be the same as people often studying part time but they are very we have big concerns about the distance education system. A greater attention and one of the big issues in the university system is staffing, the relative invisibility of academic staff in our previous policy documents and the need to grow new generations of academic staff both to change the equity profile of the academy but also to retain skills and attract skills into the*

academy and it's from those skills that we get the ability to do proper curriculum development. In actual fact. Probably a lot of the energy and ideas and. Drive for changing curricula will come from new cohorts of academics that come into the system while we also are paying attention to developing the curriculum development capacity of academics themselves. This is a very significant area that we are investing in and need to give attention to and the improvement of teaching and learning skills but it's an area that government has invested in significantly and I think we starting to see some of the results. In the ways in which we've targeted funding towards supporting students' success over time. There is a need to grow scarce skills area and we have quite a sophisticated enrolment and planning system which is able at least to respond to scarce skill. Areas

What we will hope for as a result of the white paper implementation is a much better mechanism for skills planning in government as a whole so that we are much better able to you may have heard of the labour market Intelligence Project which the HSRC has been running for the past few years we do now have a greater sense of how we can gather labour market intelligence and gather information about the skills we need and signal into the university and the TVET colleges how we then make decisions about what programs we should be offering there is no perfect skills planning system and there's no one for one system where you can say we're going to need ten plumbers tomorrow in this area but one has to be quite a sophisticated system. But what we have developed in the department is a much better way of understanding skills planning and the university system in particular will benefit from that there's a need to prioritise humanities and social sciences. There is a need to address the issue of African languages. Importantly in the university sector is the need to recognise that universities must be publicly accountable but that they also institutionally autonomous and that as government we don't for example make decisions about the fee levels That are charged at individual institutions though of course last year's decisions changed all of that to a certain extent. One of the things we haven't done in the university sector and are trying to do through the plan is to actually put in place a differentiation framework we have a diverse system we have a range of different types of universities we have universities of technology we have comprehensive universities we have traditional universities and we have universities that specialize in research and those that are largely undergraduate teaching institutions. We do have a differentiated system. But what we also have to a certain extent is a kind of a gold-standard system where every institution is trying

**Thandiwe: \*Continued\***

to work towards being similar we have a bit of isomorphism in the system partly as a result of our funding signals and our what we've had is quite loose staring of the system. What we are trying to do and it's been in a sense a quite a sticky issue in the university system for a long time is to try and develop a proper differentiation framework that will allow us to have different kinds of universities offering in different areas, having different kinds of mandates and allowing them to succeed in those mandates so that not all universities will have extensive research capabilities in all areas but it's not an it's not a simple issue because there

*are it does relate to the historical development of universities and historical and equities amongst universities. And then another big issue for the university system*

**Journo:**

*will this have the potential to maybe have specialised varsities type of a thing? and how will it speak to special fee regulations mainly if that direction goes through?*

**Thandiwe:**

*it does open up a whole lot more hardly system does open up the possibility for directing institutions in particular areas. One of the areas I haven't talked of either the Unfortunately Engeland is not here is that we do also have what are now called higher education colleges, there is a category and the new Higher Education Act that allows for higher education colleges and we do have nursing colleges and agricultural colleges already that are sort of area specific colleges that are now forming part of the higher education system and so there may be growth in those areas there may be growth but we haven't made three have we certainly haven't made decisions about what kind of new institution We need. I would say*

**Journo:**

*Just on that; you are saying a higher education colleges. They flow from which legislation?*

**Thandiwe:**

*they are now defined out that there's now a category of the universe. There's a category of higher education institution in the act called the called the Higher Education College. And it's specifically created to refer to specifically agricultural colleges but nursing colleges would also fall in that in that space but at the moment the Department of Higher Education and Training doesn't have authority over those colleges agricultural colleges within the Agriculture Department of Agriculture and same with nursing will stay under the Department of Health. ---- Higher education colleges are now in the act, yes. in the new act.*

**Journo:**

*are you saying that the mandate is with another department?*

**Thandiwe:**

*in relations to those specific institutions but what the category allows us to do is yes to develop is to develop institutions that are higher education institutions but that are specifically focused occupationally focused colleges for example. That offer higher education qualifications.*

**Journo:**

*we will read up with that, we think we must have a lot of questions in that regard because it speaks to different institutions that are potentially fee-free if they are to come into being is there anything in the presentation that speaks to that?*

**Thandiwe:**

*not necessarily but I think it is important to consider the current higher education colleges in relation to that in relation to that and it might be worth getting a presentation on there because as much as we don't as a department don't have responsibility for those colleges they are they do exist and they do train people in our system, but I'm not going to speak to that.*

**Journo:**

*can I just ask you to go to your main points and round up, because we are avoiding to ask you questions during your presentation so, we want to get some opportunity to ask you questions, can i ask you to round up your presentation.*

**Thandiwe:**

*I'm so close to finishing so it's up to you. I had I mean we could go on forever but. But I mean at this specific. I mean I don't want to go on forever. We do only have twenty slides but it's really is such a big system. It's your decision. --- OK. at the Time now is. OK. OK. So I'm talking to the main policy challenges in the university sector. And I'm trying to give you a sense of the fact that. Financing is not the only concern. As much it is as much it is an absolutely critical issue for universities and. What we would want. The commission to consider is that that from a policy point of view we need to make university education more affordable. But we also need to do so in the context of understanding that we also need to make the university system more sustainable and that we can't put the funding of universities at risk. While we are also addressing the issue of student fees. And what the costing that has been done recently which show is that if you want to grow enrolments. And you want to provide support for students but you also want to improve quality. And success. It costs. It's that's kind of our full policy vision is let's improve success as well as increasing access for both universities and in the rest of the system and that is the most expensive thing that you can do and then some ways you have to trade off by how many how many enrolments can you afford and how can you. And you also want to invest in improving quality so how can you afford to do that and those are the questions that we are currently looking at and the way those other questions that you're also currently looking at in parallel with the D\_ad.*

**Thandiwe: \*Continued\***

*And integration and articulation with the rest of the sector is a big issue for universities. This is for the first time that the universities are being planned in the context of a broader post*

*school system and not just as a sector on its own. And even though. It might not know it from the protests going on. I mean in the sense we do have a broader system that includes the universities and universities have a critical role to play also in the growth of the post-school sector for example universities train teachers for the basic education system but will also play a role in training teachers who teach in the community colleges lecturers who teach in the TVET colleges and so on so universities do have a role in relation to the broader system. Oh sorry. So I've talked about improving success and staffing is key areas there we have a goal of seventy five percent of academic staff with Ph. D.'s by twenty thirty at the moment the figures pretty over forty percent. I need Engeland here to give me the specific figure but we have made quite significant progress in that regard. Staffing is critical for student success. Having ac- enough academics in the right areas that are able to teach who are able to develop curricula that are able to decolonise curricular if that is the priority and it is a priority. Although the terminology is very much debated within the university sector*

**Journo:**

*Sorry, I will lose my line of thought, On that is there something in the presentation that speaks about staffing in the administrative sense, And in the call of insourcing and what's the department's position on that?*

**Thandiwe:**

*The department. No I. There isn't anything in the presentation. I have to consult my colleagues about how we respond to the question.*

**Mr Patel:**

*But is it a departmental mandate in any event. is a university mandate in terms of who they ask to cut the grass and so forth? And you haven't developed a framework of norms and standards in that regard, Yours is more a broader picture around curriculum. Well not only curriculum because as you indicated. That's a university mandate. But a broader picture of where you taking the country in terms of educating its citizens.*

**Thandiwe:**

*well thank you for answering the question for me I think I think that is important. I don't want to give the impression that insourcing and I mean I certainly think that we need to take account of the fact that insourcing is currently something that is happening in a university system that base costs but certainly those decisions have been taken by universities themselves and there's certainly no decision that the department is made to provide funding that would support specifically those costs that universities have themselves identified. So it's not something that is unrelated and unimportant to the department but certainly those decisions do not fall within our mandate*

**Journo:**

*I'm aware of the automaticity of the varsity but I was saying as a department you should have a position. You know. especially when you are considering the existing business people in those where it is being sourced at some point maybe you have to give direction to that in fact.*

**Thandiwe:**

*I will raise it. I don't I don't want to be giving my personal opinion on that because I think we all do have opinions on it. I'm not aware that as a department we would have a specific position certainly because it has financial implications for the department now. It's a trend that we've noticed I mean if you look at the stuff in figures of universities you can see where insourcing- outsourcing took place and at what period, it was the period around the late nineteen ninety's and early two thousands, when universities took those decisions and it was part of you know a broader set of economic trends. We are hoping that through the plan we can improve research and innovation in the system they are there it is a policy goal that we need to better align our targets as particularly in government as the D.S.T. and the D.E.T. We are working towards collaborative projects such as the possibility of a national digital library so that we procure library services as a system you will know probably that one of the main one of the primary drivers of inflation and high education sector is the cost of obtaining good quality Library materials and lab materials etc. that are often priced in foreign currency and so foreign currency does affect the university's ability to procure those services. I've talked about the differentiation framework. And I've talked about funding and the role of the universities in supporting the growth. They are issues around governance and the monitoring of transformation. At the level of the plan we would want to signal what we are what we are monitoring as a system and what targets we're putting in place beyond just the overall target of a of a number of enrolments, the national plan for higher education included a range of kind of macro-parameter targets for the system and part of what we're doing is reflecting on what has been achieved. And many of them have been achieved. So I'm going to talk about skills development system. I think probably would be. This is the whole this is probably what you might refer to as the fourth arm of our post-school system*

**Judge:** *we will adjourn until quarter to two. thank you.*

**COURT RE-CONVENES>>>**

**Judge :**

*Would you like to continue please?*

**Thandiwe:**

*Thank you chair', I'm just going to, briefly, I've got, I think four more slides. I'm briefly going to talk to the policy challenges of skills development Levy and seat a system. Which does touch a little bit on skills planning and it's a range of a range of things but I will definitely refer any questions to Mr Balowa on this one. The concerns the concerns in the white paper were that the goals of the system in terms of Certain in terms of information and skills planning information were haven't been good that the skills planning system was largely quite weak due to the various things, inadequate research capacity in the seaters, the lack of economics labour market in industry expertise, poor data management. This also talks to the whole department. But-,*

**Journo:**

*What department?*

**Thandiwe:**

*Of Higher Education and Training, white paper. Sorry.*

**\*Background chatter\***

**Thandiwe:**

*Well certainly the SETA system was inherited from the Department of Labour but the proposal in the White Paper is that the department should have a skills planning unit. To we- we trying to talk about it as a labour market intelligence unit in the sense that it's really what will What will collate information that comes from the SETAs and from other forms of research and other bodies and it will then turn that into information that will help us better determine our skills needs. But certainly the white paper acknowledged that there is a need for better labour market information and skills needs. If you look at this chapter in the white paper it's really quite substantial. The- there has feeling that there's been very mixed success in the skills development Levy system in the seats a system that very big concerns about the costs of administration, the costs of having so many bodies independently administered and a very big concern for the post-school system that The Seat is funding that is channelled through the SETAs was not supporting adequately the public education and training institutions and that a lot of the money was going into private sector skills providers but very little support for public providers and of course part of the one of the bad policy goals of the white paper is in a sense to try and bring those two systems closer together. And then concerns about poor governance and SETA, a lot of the concerns raised in the white paper*

*had been informed by ministerial Task Team on SETA performance. But the priorities what has actually happened is that there is a process underway, the- and significant work is going on the final policy proposals are not yet on the table, They are yet to go to Ned-lack I believe but.*

**\*Background chatter\***

**Thandiwe:**

*For universities, Well I mean there's already there's already money that is in the National Skills fund that is part of the skill development Levy that goes to the to the university and other parts of the system and there is already SETA funding that does go to universities but you know,*

**Journo:**

*Chairperson sorry... I'm sorry to interrupt if I may just ask. We've got structured questions around the SETA's this to pose to the team. I'm just wondering whether you'd prefer that we pose of those now because I'm really worried about time Constrains at this stage.*

**Thandiwe:**

*Maybe have me jump the SETA slide and go to my last line so that I finish and you don't have to listen to me anymore.*

**Journo:**

*And then we can pose the questions, I think it is and if you can give us the highlights of the SETA's points and then conclude so that we can begin with the question.*

**Thandiwe:**

*OK So I mean look what's happening at the moment is that there was a set of quite radical proposals that the department put out to the public. There was a set there was a process of public comment and the department has been in the process to revise that. And so but that is not yet public. It's still under discussion but it is addresses all of those areas how to better. How the teachers could be better governed how we try and save funding that is used on administration that could be how we would try and streamline processes so that the people don't have to apply to through twenty one different kinds of processes in order to access funding from SETA's, all those kind of things how we deal with the governance challenges etcetera. And in particular how to deal with the fact that teachers have never had permanency, So in a sense their mandate have shifted they haven't had permanency So all of*

those things are being addressed. And also what the white paper talked to was the role of the N.S.A. the National Skills authority in playing a kind of monitoring and evaluation role over the SETA system and that's going to be put in place as far as I understand the proposals. The white paper talks extensively about this but I do want to say that in actual fact many of these. Policy Priorities are being addressed through this this revised process of a new SETA landscape which will soon be I think approaching this system. And you can ask questions about those things.

**Thandiwe: \*Continued\***

There are a number of areas in the white paper that I'm not going to talk to but that are addressed in the white paper. Career guidance for example we've talked a little bit about centralised applications. The skills planning mechanisms that we're putting in place the need for improved integrated quality assurance provision, a P-Set provisioning for people with disabilities there is in fact an entire chapter in the white paper on the need to provide for people with disabilities and there is a whole chapter on Open Learning distance education and in a sense what we could be broadly called technology enhanced learning and how we can use different methodologies to support achievement of our other goals including expansion possibly and then link to that although not specifically addressed in the white paper the provision of I.C.T. is in bandwidth capability and there's a huge amount of work going on in that area. Student Housing is talked about in the in the university part of the plan but we there are no specific policy goals around student housing, private institutions. There's actually a whole chapter on private institutions and how we regulate and recognise the role that private institutions can play in supporting delivery where we have gaps. There is considerable focus on and simplifying the N.Q.F, the national qualifications framework and improving articulation. Maybe I can just answer questions on that if they are. There is in our policy on articulation that we have in the system that may that may provide us with a framework for articulation. The issue is not that articulation isn't happening it's that it's not happening. Everywhere and it's not happening as much as we would like it to happen. And so we need to find a facilitator framework to allow better articulation in the system. So the summary of the policy goals are very crude summary. Expansion of the post-school provision at the intermediate and the TVET level. Developing a new community college sector, improving the quality of our systems and student success and throughput across the PSET sector universities colleges alike. Linking targets and expansion to affordability. QUESTION THAT YOU WILL helps us with improving coherence and articulation in the system.

For the first time we will have a planned post school system and what does that mean? We need to improve responsiveness both to the needs of our citizens, the demand from Citizens For educational opportunities. The needs of our economy and the needs of our labour market the world of work. And we need to improve and expand workplace learning opportunities for major policy calls of the white paper and critical for the success of our vocational education and training Sector, as well as to a certain extent the universities and the community colleges. We need to build a sustainable, equitable and coherent post-school sector that is

*Sustainable and very important. And then maybe what we tend to do when we focus on policy is we tend to talk about all the challenges but actually. We recognise that we do have a lot of strengths in the system. And we have some really good provision and we have some really good institutions we have some very good parts of the system and we need to sustain those strengths and really not allow them to erode. So it's better to end on a positive note. So, let's jeep the good things on the system. The D.G Emphasize these points but and I think it's been fairly obvious from our presentation what we want to focus on but the question of whether fee free education is feasible in the higher education. Is as much a political question as a technical one?*

**Thandiwe: \*Continued\***

*And it can't be answered only by technical contemplations and I think that we wanted to show today how important it is to consider the funding of universities in the funding of university students in the broader context of the post school system and the needs that exist there and the funding that we may have in other parts of those to those other parts of the system and so we can't isolate any funding considerations from those. And we just want to make that point as. You I'm sure you will hear it from us as a broken record but we wanted to hear you to hear it from us in the context of our policy goals. So thank you very much for time.*

**Judge:**

*Thank you both in the first bullet Point and in the second bullet point, that fee free education is a matter of priority. You spoke about it being a political one and then you spoke about it not being contemplated outside of considerations for adequately funding institutions. It's a matter of where you put your, where the importance lies. And which should get the money first and most?*

**Thandiwe:**

*Yes*

**Journo:**

*How do you sequence that?*

**Thandiwe:**

*I think the difficulty I mean the difficulty for us is that we don't you know as bureaucrat we make the arguments for why things should be funded. But we also recognize that those funding decisions. The budgeting process that takes place in treasury, the political decisions that take place. You know I have to consider all of a whole lot of different factors. I mean*

*we're not even talking about basic education early childhood development the health system and all of those priorities. But I think we I think we've got strong policy priorities and we I think we make strong arguments for why we need to expand provision but we also need to be aware that when we expand. We need to be aware of what we can afford to expand. How we can afford to expand and that while we expand. We have serious quality issues that we want to be addressing. And while we do that we want our institutions to be sustainable. And so we just wanted to put all those very difficult questions on the table for you. So that you can deal with them when you are considering the very difficult questions that you also have to consider.*

**Judge:**

*Thank you.*

**Thandiwe:**

*Thank you Chair'.*

**Judge:**

*I don't imagine that this was completed in five minutes and we appreciate the amount of work you put into it.*

**Journo:**

*I can just ask a few questions right?*

**Judge:**

*Yes of course.*

**Adv. Zulu:**

*As I understand your presentation Mam' is that the major pillars of the post-school education in twenty sixteen, firstly the universities; TVET Colleges, community colleges and the SETA's. Am I correct?*

**Thandiwe:**

*Yes, and we'd rather refer to it, Mr Mbalowa, do we not say the skills development Levy system which includes the SETA's or would we just, The SETA's is part of it. I think we would say the skills-Levy system.*

**Mr Zulu:**

*Yes, and for you to achieve the targets which are set out in the NDP and the white paper, you require some tool to assist you in the form of your policy documents; which being the white paper, the green paper and the National Development Plan.*

**Judge:**

*Ms Liwung if you shake your head, we do not know and it's not recorded. If you're agreeing with what he's putting to you, please answer.*

**Thandiwe:**

*No I'm just nodding that I'm hearing what he's saying, I'm waiting for the questions. Sorry Chair.*

**Judge:**

*Didn't hear clearly what you were saying Mr Zulu, would you mind repeating it please.*

**Thandiwe:**

*I thought they had a question coming sir.*

**Mr Zulu:**

*I'm saying that: for you to achieve the targets which are set in the National Development Plan you require certain tools to assist you, like your policy documents; the white paper, the green paper and the National Development Plan, am I correct?*

**Thandiwe:**

*Yes, you're correct.*

**Mr Zulu:**

*And what is your relationship as the department of education with the National planning commission? How do- how did you work? So in other words the question is how the national dev. was - what was the contribution of the department if higher education in preparing the national development plans? Did you have any contribution at all?*

**Thandiwe:**

*I can't answer that question I'm sorry, but maybe one of my colleagues who was in the department at the time could.*

**Dr Van Starden:**

*In the beginning there was not a relationship up until such a time that we found out that they are designing targets on which are going to impact on our planning.*

**Journo:**

*I'm sorry, to interrupt you doctor, can you just put yourself on record please because when we read the transcripts later we won't be able to follow which person was speaking.*

**Dr Van Starden:**

*So must I introduce myself?*

**Journo:**

*If you can do that, please.*

**Dr Van Starden:**

*Ok, Dr Van Starden speaking. In terms of the two thousand and nine processes when I also came right into the department there was a realisation that the presidency and the DBME are providing targets and analysis whilst we were not involved. And therefore there was a request that we could make a submission to them in terms of the targets that they have identified. Now a lot of these targets that the NDP has utilised were, also coming from JIPSA and ASGISA period, which have done and was based on evidence in terms of the statistical analysis. But the kind of projections that was made was already indicated and the example that I want to use is the engineering graduates that were supposed to be reached at fifteen thousand by twenty fourteen, and then in two thousand and nine that was totally unrealistic. to such an extent that we had to put processes in place to try to achieve that by workshops, by co-ordination of the engineering faculty by the submissions and the costing of that to reach that, at that stage in terms of engineering, we have shown to reach fifteen thousand graduates by twenty fourteen, it would have cost about five billion rand. But that target stayed in terms of the presidency and the National development plan.*

**Journo:**

*But you did contribute towards the preparation of the national development plan as the department of higher education?*

**Dr Van Starden:**

*Van Starden again, it is difficult to say that we have contributed, we have made submissions in terms of all, of arguing the targets that are in the development plan is and realistic that acknowledgement of those at missions, and I can't account for that.*

**Journo:**

*The reason that I'm asking this question is that, yesterday we had Professor Makgoba who came to testify and he said that this national development plan and in particular, the national- the target which are set in the National Development Plan. We're prepared in consultation a working with the Department of higher education*

**Dr Van Starden:**

*Van Starden again; yes in terms of the overall growth of one point six million. That as I indicated was based on a target Growth of two point eight million, two point eight percent on during the two thousand and nine to twenty fourteen, twenty eleven, twenty twelve enrolled cycle, so that was a planned growth and then it was extrapolated to twenty thirty.*

**Journo:**

*Yes I understand from your presentation again today is that- You are saying that those targets are not achievable because there are no resources to achieve those targets am I correct?*

**Dr Van Starden:**

*Totally correct.*

**Journo:**

*So again Professor Makgoba Yesterday from the National planning commission came to testify and he told the Commission that those targets which are set out in the national development plan are realistic targets and they could be achieved and there are no challenges in relation to resources, financial resources.*

**Dr Van Starden:**

*Chair, Van Starden. I don't want to be controversial but when I've approached the Professor Makgoba in twenty eleven he didn't even know there was an enrolment planning statement so and that the problem is that at that kind of level people were not involved we involved our universities through a consultative process with the management. Sorry, where he was not even attending, I don't want to speak on his behalf but. We have a dedicated process in our university sector to determine, realistic sustainable and cost effective target which are then agreed with the councils of those universities which we then look and collate and into a comprehensive national plan that was submitted to the commission.*

**Journo:**

*Thank you. I understand it when he was talking to you yesterday he was not speaking in his personal capacity but he was here presenting government and the national planning commission. So I want to understand the contradictions between what the Department of Education is saying today and what he told us yesterday.*

**Thandiwe:**

*Can I just add?*

**Judge:**

*Correct, because he very specifically said that the as a retired person. Owing nothing to anybody. As I understood him.*

**Journo:**

*In other words Judge, not as a member of the national planning commission.*

**Journo:**

*I think just I think he appeared in his capacity as chairperson of the Planning Commission. But of course the Planning Commission is comprised of private individuals whose service part time Commissions.*

**Journo:**

*In the point in his presentation. He said in his presentation that he was making the presentation as the commissioner. Chair he said he had indicated in his presentation that he was Commissioner Kgapu, and I take it he was not acting in his personal capacity.*

**Thandiwe:**

*Maybe the other point to be made. I mean I do think that you might want to know*

**Journo:**

*I'm sorry, if I could just ask especially where there's a change of Journo. And this we're to have a problem finding the transcript.*

**Thandiwe:**

*This is Thandiwe Luwen again. I think you mean that they're important point is also that you know the situation since the National Development Plan came into effect has changed. And so the target revision that we're actually talking about has been quite a recent process particularly in the end of it. I mean the enrolment planning review has been a recent process in response to the fact that the performance of the economy is changing so while we may have set out to reach that one point six million target. We are now in the situation of having to review that. And of course, Professor Makgoba is not in the implementing department where those decisions would be made.*

**Journo:**

*Thank you. Has there been any discussion between the department and the national planning commission to indicate that those targets that you set then in twenty ten are not realistic; we're not going to be able to achieve that?*

**Dr Van Starden:**

*Chair in terms of direct contact. No I can't recall and I'm maybe not the great person to answer that but I can't recall since two thousand and nine that there was direct contact. However we have indicated through their technical implementation forum we have to report in terms of the target stated by our minister. We have recorded. Timelessly and again that this is not achievable we will not be able to do that to such an extent that we have written a submission on the on time to assist our minister to change the targets for its performance agreement and that can be also provided.*

**Journo:**

*So you are saying now you made a submission or the minister made a submission somewhere, where was a submission made?*

**Dr Van Starden:**

*The submission was made for the minister to argue that the change in targets are required as it is and not achievable and not realistic and that should have gone to the President's, I don't know. Gone up in the food chain as I call it.*

**Journo:**

*Sorry, so what according to the department now are the targets did you are seeing that are realistic targets? because I don't seem to be getting a sense from your presentation that we can't achieve the targets which are set out in the N.D.P. but the other targets which we would prefer to work with. What are those targets?*

**Dr Van Starden:**

*Ok, Van Starden again, We focus a lot on scale skills targets because we link it for instance through their health and in terms of policy directive what we have to do is that department of higher education and training also understand the dynamics of the large economy and one of the targets that we are looking at is to reach that scale skill's targets in health specifically in terms of the National Health Insurance Scheme That's coming up and are being planned. So we have a dedicated agreement with the Department of Health. We also look at the postgraduate target in terms of masters and doctoral graduates. Which we have to do in consultation and in partnership with the Department of Science and technology to ensure that that is sustainable because the funding streams for these targets are differently.*

**Journo:**

*Let me dilute my question, and respect of the headcount at universities. The NDP say there must be one point six billion or one point five billion by twenty thirty. What are your targets that you're working towards?*

**Dr Van Starden:**

*We are and I think Thandiwe referred to that( Van Starden again) that we are reviewing that in terms of the whole economic change of our country and also in the dynamics of what we have we don't have that target yet with the institution have submitted the plans by thirtieth of August to be busy collating it into a national plan which will review and change the targets as per you have the documents in front of you and that all goods will be done in the current context of where we are South Africa and that can only be signed off by the minister hopefully we are planning for November.*

**Journo:**

*I'm actually at a loss. Can only request that perhaps you provide us with documentation from the Department of higher Education indicating that the targets that you're working on now, is it possible?*

**Dr Van Starden:**

*Chair, we have done that we have submitted the whole national enrolment plan. So at this moment at this stage that is the projections and that has been signed off by the minister in agreement with the councils of the universities however in March we have put a process in place to review because it was say six year cycle and a lot of has changed. So we have said that we will review the targets as projected for twenty nineteen/twenty. So we have seen the universities back to look at the capacity the competency the need for student housing the need for NSFAS the need to link that to operation Pegisa, the need to link it to the National Health Insurance Scheme. So there had to go in re-do a planning in terms of the political signals that we are receiving from a government to revisit those targets, so yes the*

*documentation that you have in front of you all the true reflection of the planning that happened in twenty thirteen with a projection to twenty nineteen/ twenty but those targets are in review, we suspect that they will be a slower growth in terms of the one point nine percent to zero point nine percent in terms of their financial sustainability of the growth of the system.*

**Journo:**

*Tell me how do you ensure that in attempting to reach the targets that are set out in the NDP obviously need buy-in from the universities, am I correct? And how do you ensure that without interfering with the normal units of universities you are able to get them to agree to the targets as set out in the NDP.*

**Dr Van Starden:**

*Chair this process started a long time ago in nineteen ninety nine before the transformation of the white paper on the higher education transformation landscape, there was a process put in by the previous administration to get a dedicated planning methodology for the universities in terms of a government apartment which should provide policy and strategic leadership with the implementers of their strategy and policy which is the universities. So in nineteen ninety nine We have developed the first in enrolment and that where I started my career in one of the universities and we designed and developed those first enrolment plans and then it was done on a three year cycle to link it up to the empty A\_F, to ensure that whatever the planning directive is that the funding will follow the, the planning regime that We have put into the place. So from year to year this planning process has improved to such an extent that our universities. As one of the requirements that we do it in a consultative process, we also have reporting regulations where they are reporting now which we have now in active legislatively that they have to report on those enrolment target. So from an output side to report on there have to be a process of collectively working towards the targets as we want to go with our country and I just want to go back in terms of the merger is that was also instituted to effect the mergers is we had to do that to gate a combined, restructuring of the higher education landscape. So this was an evolutionary process so there's a commitment from the councils at this stage in terms of planning as well as reporting because there are funded on those kinds of targets.*

**Journo:**

*Just to maybe follow up; your prediction on the economic climate in the changes that you're making, are you predicting that it's going to get better or it's going to get..?*

**Dr Van Starden:**

*Van Starden again what we've used is that AI-M-I- P project to determine the kind of changes in the labour market all of shifts within the agriculture for instance that sector is decreasing and the demand in terms of the engineering and the manufacturing environment. So in terms*

*of those kinds of changes the skills need of our country. We're trying to realign our production of graduates within this system; we also link it to the presidential infrastructure projects the SIP's as we call it. Is eighteen infrastructure projects that we see that we can produce those kind of graduates needed to enable those infrastructure. The second economic signal that we're getting is all operations PEGISA are the most important one is the ocean economy one. Where we develop the tenth province as we call it to assist our country, to do the restructuring of our harbours for instance, the maritime for instance so those are the signals that we work with other departments in this case the Department of Environmental affairs to steer our universities to change the direction and to reprioritise the planning in the in the institutions as such.*

**Journo:**

*Just before you continue Mr Zulu. My interpretation of the question of commissioner Khumalo was more in your projection of the economy as a whole which would then influence how you go about setting certain targets. Have you considered that in your evaluation in terms of going forward and not because you've repeated yourself in the respect of engineering agriculture. Those are specific issues but more generally, I know specifically you are dealing with certain... Now your projection is the economy, well, let me start it again. The minister of finance has certain projections or treasury in terms of the economy and how it would grow, have you taken into account those projections in determining certain realizable targets?*

**Dr Van Starden:**

*As far as possible, yes we do we try to do that to read the signals as to the battered speech of the minister of finance, our ministers' budget speech et-cetera.*

**Journo:**

*Thanks. It's just that I heard you mentioning the M.T.F. period. So I wasn't sure if it's limited to that only or is it just the broader.*

**Journo:**

*Mr Patel*

**Mr Patel:**

*It's F. Patel, thank you very much. Chairperson, the, I mean, I was involved in the planning process of two thousand and nine. Until March this year, the issue is that it has been a perennial problem where targets are determined for you, by the Department of Planning, Monitoring and evaluation. When we go to treasury in terms of the bids for those targets, treasury is not aware on that-that is a funded mandate, when we go back to the Department*

*of Planning, monitoring and evaluation they indicated to us, that those targets cannot be changed. We have been countless times to the portfolio committee. Where these targets were laid out for us, now, one assumes, where we're sitting that somebody has found the money somewhere and therefore we place those numbers in our plan. However slowly I think through the auditor general process to parliament process, we're going back and saying that it's impossible. But Chairperson what I want to indicate that the National Development plan my understanding always was. So for example in the community and in the T.VET colleges the two point five million was based purely on a participation rate as determined by the National Planning Commission of twenty five percent of the population to be provided with that. But the NDP is very clear; I've been looking at it from cover-to-cover. Where the targets in the NDP are pre-based on the fact that everything else works in conjunction with each other. Now the point is active efforts and participation of all South Africans. If I quote, it says "Faster education and growth and a higher investment and employment" and then it says "Raising the standards of education" which is a cyclical argument. You know you say "expand education" and the economy is not there. but that is what we as a department have been faced with and this we have also provided evidence to the commission terms of every year we are requesting billions of rands to be able to meet the targets. And the answer in the appropriations statement is not there. So I just want to clarify this particular issue otherwise you know I mean we have to be honest, those targets, in terms of T.VET colleges. I'm sure about higher education, my colleague says they add interactions but in terms of the T.VET colleges, there was no consultation. Thank you.*

**Judge:**

*Well I also would like to put something on record because I also listened to Professor Makgoba, Yesterday and it seemed quite clear to me from listening to his evidence that while they projected a growth rate of what it was five point six percent to two thousand and thirty he conceded that the economy was running much lower than that. And that if it were to continue in the same vein the targets would have to be substantially revised, because they could not be met. But he said. You never know with economies and he was positive that the economy would turn around. But that's as I understood it Mr Zulu.*

**Mr Zulu:**

*Yes Judge, there's no disagreement...*

**Judge:**

*Pardon*

**Mr Zulu:**

*I'm saying that there's no disagreement on what you've just said.*

**Judge:**

*Ok, I thought I should put that on record so the department knows that there is not a head on head on collision here.*

**Mr Zulu:**

*Yes*

**Judge:**

*It's based upon different perceptions.*

**Mr Zulu:**

*Yes Mr Patel, on the issue of the money, can I just ask; you're saying that you request billions from National treasury on a yearly basis. Can you, I'm sure, are you speaking for entire sector, the higher education sector or specifically for the T.VET? Was it for post good education and training sector?*

**Mr Patel:**

*The budget bits are for the post school register and we have made that, the CFO has made that information available to the commission and you'll see, for every year the amount that we calculated that is required and the output in terms of the amounts that we received, in regards to it.*

**Journo:**

*And because National treasury will come and testify here, what are the reasons that are provided by the National Treasury for not giving you the-the funds that you are requesting or you request?*

**Mr Patel:**

*This is F. Patel, if I may, if the CFO is able to give you the detail in regards to that, chairperson, you'll have to swear in a new...*

**Judge:**

*Are you in a position to do so? What is your name sir?*

**Mr Tudor:**

*\*states Name\**

**Chairperson:**

*Yes Mr Tudor, are you prepared to take the oath?*

**Mr Tudor:**

*I do so help God*

**Judge:**

*Thank you, yes.*

**Mr Tudor:**

*Chair in terms of the of the ration of allegations I think one must take into account perhaps three different issues in the first place they would be the national treasury review of what is the ability of government in total to fund all the prioritise within government. And they have limited resources which distribute between departments. So that would be a consideration, Secondly as a result of that These also need that treasury indicate that to departments to in the first place reprioritise Before you request additional resource, and because of the department.*

**Journo:**

*What does that mean if they tell you to repro- what is your understanding of?*

**Mr Tudor:**

*In terms of reprioritisation, the requirements by treasury are that you would take your current resources and reprioritise your current resources to meet the specific needs that the department have. So you would perhaps identify that a certain key service that you are rendering will not be that key anymore and that you prefer to use the resources to fund something else. so in terms of reprioritisation in the case of the department, it is not possible for the department to reprioritise, we can provide you and I think we did with all the documentation we've submitted that if you look at the total construction of the department's budget, More than ninety percent of the budget is pure transfer by means it's subsidized by our institutions, From the reminder of the Budget. The majority goes into commitments such as compensation of employees so the salaries that we are paying. We have things like rental of accommodation and all kinds of commitments that we are faced with, those are the things that we must do the actual amount that we have for normal operational expenditure which can be reprioritised, then we talk about travels subsistence, all kinds of stationery and other kinds of expenditure that we have. Is just more than one percent of our total budget? So if we're talk terms of project management, the department actually like in a normal project management situation we have approximately seven point five percent. To manage your budget and to manage your operations, the department has approximately one percent. So*

*reprioritisation in that sense is not possible. The third issue that I think one can highlight is that treasury would look at a lot of factors such as; how successful is this sector. So one of the arguments many times raised by treasury For example would be to say; But if you look at the success the rate in T.VET colleges, how can we fund or how can we give more money*

**Mr Tudor: \*Continued\***

*For T.VET colleges, if we don't see that there's success. The problem is for example with T.VET colleges that the department is also saying; "Give us money so that we can improve the sector". Because the baseline is not big enough which the result in a situation that these very little resources available to actually improve the quality of the sector. But that is unfortunately not always successful. So the end-result is that in the case of the allocations over the past few years and basically since the establishment of the department. Is that despite all the requests for additional funding or bids for additional funding, treasury were also in the situation that they had to prioritise and determine this will be your allocation. In many cases, if you look at the tendency over the past few years. There was a very specific and the ministers also emphasize that even yesterday. A specific need by treasury to say allocate more money to the National Student Financial Aid scheme for example, so that we can support poor students not only in universities but also in the T.VET sector. So the baseline for NSFAS increased substantially over the past few years. It was almost like three times that it was a few years ago. So in that context there is a process also and one was also flag that on the side of treasury to determine the final allocation. It's not only that the treasury said and treasury say "I've got twenty rands do I give you ten, I give you five, I'll give you five". There's also big process on the side of national treasury, to actually determine who gets what.*

**Journo:**

*Can I just ask; is it your understanding as the department that those decisions are made by officials at the Department of Treasury?*

**Mr Tudor:**

*The process on the side of treasury, Is that the is what is referred to nothing The new name is the medium term expenditure committee of it's still the same, where all the inputs and evaluation of requests by departments go to specific committee where this input from example the PSA, the presidency. D.P.M.E. various departments that sit there and look at all those, there is then a proper submission that goes to the ministers Committee Of the budget, and eventually as far as I know it goes to the treasury committee which is a committee of Cabinet who considers recommendations finally to cabinet. And that eventually goes to Parliament. In this whole process, my understanding is also that the all presentations made to this Standing Committee on Appropriations in parliament they are deliberations taking place at various levels before final decisions are taken. So it's not only purely a decision taken by officials of national treasury*

**Journo:**

*As in the interest of time because of my colleagues have got some questions to ask you so, can I just ask one thing from your side as the Department of Education. The issue of Postschool education and training to regard as a public good, in other words public benefit or private benefit.*

**Mr Tudor:**

*Well thank you very much. The issue is that education in literature is that the public benefits are much greater in the early years of education. So number one is basic education and that's why it's been adopted as a world-wide issue in terms of universalization of education, the education for all goes as well as the community and development. That's why it is also compulsory in our country because the public benefits from basic educations, primary and secondary are greater than any other particular benefits than even tertiary education. In regards to tertiary education. The private benefits often, are greater than what public benefits are. Particularly around the area is if we are training their setting their own rates they're not working in the public sector et-cetera, so there is a balance, I'm not sure what the balance is. But there's a sub-tertiary qualification does have a greater public good.*

**Journo:**

*My question is that does the department have a view on the issue as a department and understand them, philosophical arguments around it. As the departments is there a position that it's more of a private good or?*

**Mr Tudor:**

*No, I don't think we've ever been asked to give a view of whether it's public or private. I was just given a view of the literature. I don't know if Ms Van Starden wants to come in.*

**Dr Van Starden:**

*Chair it is both, but it is more of s public good, you cannot educate a nation without being and providing opportunities to education and for education. And therefore it is a public good to educate your nation, to have an economical development that is sustainable.*

**Journo:**

*Thank you.*

**Judge:**

*But on the other hand, I have been benefited for sixty years from my degree. Maybe the country has too, I don't know. But the truth is I have. So it's a balance isn't it?*

**Thandiwe:**

*Sorry chair, you could argue that we have a cost-sharing; effectively we do have a costsharing system for higher education in place that also does recognise that there are private and public benefits for higher education.*

**Journo:**

*Sorry, the last question is: I want to ask you what do you consider to be the three main challenges that are faced by universities and T.VET colleges, and which may impact on your planning because we've heard a lot of concerns on the side of universities. As well as from the side of TVET colleges. Maybe you can say something about that.*

**Dr Van Starden:**

*I think one of the challenges our universities have and we as well is that the funding has not kept up with the access principle and policy, and that we have started with the mystification in nineteen ninety nine and then there was a process to lengthen funding to planning, which has been done, but the planning informs now the kind of funding that the kind of funding provided for treasury has not kept up with monetary value, your unit that you provide to fund your universities, and we know that is the major concern of our universities. and in relation to that is from an input side, from a process side is the through-put of our students remaining in the system while we are investing millions of rands through your foundation programs through your teaching development grant, through the teaching output grant where the teacher has to put policies and mechanisms in place to support students that are unprepared to be prepared, to enable them to get through the system.*

**Journo:**

*Thank you, finally, the issue of the zero percent increase is there anyone who's in a position to address it? how did it happen that, last year there was this zero percent increase, oh sorry Mr Patel, you wanted to say something?*

**Mr Patel:**

*Yes, on the TVET, the question you asked on the TVET. The three major issues are. Number one: I firstly do believe that the issue is not about underfunding, it's about over-enrolment. And the issue is that we must be able to enrol according to the class that we have, so there has been tremendous pressure over the last few years to increase enrolment. And so there has been the issue of enrolment increasing but there hasn't been same steady rise in the issue of budgets. and so I think that's one, or the one challenge that working with is to ask colleges please ensure, there are more circumstance for more enrolment matches, the funding that is allocated to them.*

*Second issue is the issue of governance and financial management in colleges in a sector that we've taken over, that was managed by nine provinces. And we do believe that there's a lot of efficiency of that. Particularly that the Auditor General is for the first time going to be auditing these colleges.*

**Journo:**

*but thirdly and most importantly, is the issue of out-dated curriculum, that is not able to ensure that we provide the young people with theoretical, tactical, practical and work-based skills and as well as ensure that they are employable so that they are able to fit in with the needs of the economy. Thank you*

*THANK YOU, the issue of the zero percent. Well firstly the Department of Education where you involve.*

**Journo:**

*Sorry Advocate, can I just follow up on the challenges are on governance. We had from the governor that we heard of the T.VET that came here. That it's a bit tricky and that it was provincial as your saying and it is provincially is saying and it is controlled. And there is a board of how does that environment work? It sounded very complicated to us.*

**Mr Patel:**

*Chairperson that is the issues we are trying to sort out in and I think the issues between governance and administration governance and the executive is always an interface that is fraud, would either conflict or it works well. So the issue is that principals have come in with a particular habit in terms of how or whether they respect or don't respect counsels. counsel have also come in with a perspective of where they are they are the ones that get involved in operational management issues and so that is the part of the line that really want to clear,*

**Journo:**

*Maybe just to assist is there autonomy on each school or on each college or the governance or by the board, what's the structure we didn't get a governance structure clearly there.*

**Mr Patel:**

*no the Council of equality is accountable to the minister, and to parliament but there are certain prescripts in the acts that prevents the minister or the director general or officials from the interfering in the governance work of council, So for example in par, part of this learning process last year or year before last and that's what councils were upset about. And I think they were likely upset is that policies were imposed on them and that they have yet to adopt, and the simple issue was that our intention was to provide that would support and guide and Say " Counsel it is your provocative to adopt a policy that is not inferior to the one in the B.F.M." so it is all around that area. the second area of contestation is clearly it's around funding and money and we just still under contestation of whether the director general can prescribe what is the maximum allowance is that counts for members may claim but clearly there's a conflict in the governance issue and we're clarifying that but also the department had given a template in terms of a strategic plan and what to complete in the strategic plan. That was overturned because it's the legal responsibility of the council to*

**Journo:**

*develop a strategic plan which would they will then present to the minister and it is the minister who will either approve or not. So we are clearing all these differences that came out of the nine province o that they were in clearing the line between governance and management. Thank you.*

*Thank you so in essence the principle of the college reports to counsel and counsel reports or what's the reporting structure thereof it because that was the issue with the governance here, they were sounding like toothless dogs when coming to issues*

**Mr Patel:**

*No it's correct but it's an intended consequence. It's intended consequence of the Continuing Education and Training Act. Now that is difficult and we may have to relook at the policy and recheck. Sorry? Yes. What are continuing education of training access is that the principle is a dual reporting line and would report to council on council matters and would Report to the director general is the employee but those particular betters. So again it's a tug of war whether the council is the ONLY authority over the principal whether the government or the public service in terms of the Public Service Act also have an authority over it. So I think that's the particular challenge. part of it is the principals I think there's been a bit of mischief in terms of- because of the of the function shift, because it moved to the Department of higher Education and training and the employment status of employees of the college changed from being employed by the college to be employed by government where educators and personnel are telling counsels " we don't report to you anymore because you don't pay us". But that is not the situation in terms of the act and we are trying to deal with it, part of it is education and communication to our employees that they have a dual function in terms of reporting.*

**Journo:**

*The question that I asked about the zero percent increase*

**Mr Tudor:**

*Chair in terms of the zero percent fee increase of the twenty sixteen academic year. I think I can report as follows. First of all there was an agreement between the minister, university vice chancellors as well as representatives from students, late in twenty fifteen on which basis recommendation to the university councils were that the increase must be capped at six percent in terms of a fee increase for twenty sixteen. . Based on the student unrests, the president called a meeting with various stakeholders we once again include vice chancellors and student representatives and then there was an agreement reached to a zero percent fee*

**Journo:**

*increase the department was involved in that process. I think it's also important to note that in principle it was actually a six percent fee increase the only difference is that the government bite that increase and it was not a fee increase. In the sense that students or the appearance had to pay that increase. They were then task teamed that consisted of the presidency, National treasury as well as Department officials who then had to determine that the resources. And how we going to fund that six percent gap between what the fees should have been and if it is now a zero percent as institutions could not proceed to actually operate without that six percent funding. For different sources of funding we identified one would have been that we use the existing skills Levy and possible savings on the skills Levy and see if we can use that. Secondly it would have been the reprioritisation of existing*

**Mr Tudor: \*Continued\***

*Grants to universities. Thirdly, Contributions by institutions themselves and lastly the National Review fund or normal treasury allocations.*

**Journo:**

*Does that include monies that were not used during the financial year because, yesterday it was said to us that monies were found there, unused budget*

**Mr Tudor:**

*Yes. In terms of the skills Levy specifically. The skills Levy a part of the skills Levy was eventually utilised to fund the first academic year twenty sixteen. Those were specifically surpluses are rendered by the SETA's to the national skills fund being unutilized resources. However one must also emphasize that those monies were already basically year-mark or prioritised for specific services. Again which then had to be reprioritised and some of those will not now take place. The second source of funding would be reprioritisation of existing grants that is not based on savings. What happened there was that the historical disadvantage grants to specifically historically disadvantaged institutions within utilised to fund specifically the six percent portion of the story called disadvantaged institutions. Which means that the purposes of that grant are now postponed to future financial years because we've used the money for this year? The contribution by institution, they were some institutions that were able to provide some support and say that they will absorb a portion of the increase. That was mainly because well in principle unutilised resources of previous years reserves by the institutions but also in many cases earmarked for specific purposes there placement of equipment. Infrastructure some cases. So those monies where then reprioritised for this purpose and then lastly in the National Review fund where our understanding is that national treasury had been to actually reduce the budgets of many departments within government to actually obtain the required resource. Thank you. G.*

**Journo:**

*Lastly, has it ever happened that money gets returned to the national treasury because the Department of Education has underspent has failed to over spend, or failed to spend?*

**Mr Tudor:**

*Chair', yes in terms of our normal operational costs, since the establishment of the department we did surrender our savings back to the National treasury which is required in terms of the P.F.M.A. If you look at the amount of savings that we had in twenty ten-eleven, eleven-twelve, twelve-thirteen, thirteen-fourteen. Specifically those financial years we surrendered approximately I cannot even remember the percentages there are also small something like zero point zero one percent of our total budget that was not due to last, and*

*those mainly small operational costs we talk around a million plus per year if you look at all the billions that is allocated to us, two main reason. One is we were not able to fill posts on time so you would have a small compensation of employees saving because of that and then in many cases some concomitant expenditure as a result of that like the purchasing of*

**Mr Tudor: \*Continued\***

*Computers and furniture for those officials who would have been appointed in most cases. However the small the amount is, it was earmarked or actually- actually commit to being used for a specific purpose but not rolled over in terms of the rolling over processes.*

**Journo:**

*Thank you judge. I'll hand over to my colleagues.*

**Tshifhiwa Mabuda:**

*Thank you. My questions are mainly based on the SETA's, the National Skills fund and Skills Development Levy's. So I believe Mr Mvalo is the right person to address my questions. My first question is we know that the SETA's are funded by the location of eighty percent from the skills development Levy, could you indicate how much that is in terms of monetary terms. Yes. The eighty percent that is allocated to SETA's*

**Vian:**

*It's me. So I'm going to...*

**Journo:**

*Chair...*

**Judge:**

*Sorry, just give your full name, and swear to tell the truth, the whole truth and nothing but the truth "so help me God"*

**Vian:**

*I swear, so help me God. Right the title Levy for the twenty fifteen-sixteen financial years was fifteen point one five billion. And off that the SETA's receive eighty percent so; if I do my quick calculations it works out to twelve point one-two-one billion rand for the SETA's. And NSFAS receives the other twenty percent.*

**Journo:**

*Does the, do the SETA's carry funds forward from year to year or do they have to return them to Treasury at the end of the year?*

**Vian:**

*They carry the funds forward from year to year. But they still have to apply to retain the funds in terms of the public finance management act.*

**Journo:**

*What is the present balance of the unutilised funds in the SETA's?*

**Vian:**

*Chair, I don't have that figures at hand with me. That analysis can be given, I would literally have to look at each financial statement of it at SETA's and the analyse it, I don't have it with me, I'm not sure if Mr Mvalo might have them*

**Journo:**

*Mr Mvalo, in terms of the amounts that have been allocated to the SETA's, Could you please elaborate how these amount to spent by the SETA's*

**Mr Mvalo:**

*I, Mzukile Christopher Mvalo. I'm just going to explain the formula that we are using to allocate these funds. Twenty percent we've said has gone to NSF. That is twenty cent of one rand and twenty rand of one hundred rand is going to NSF. And then we are left with twenty rands. We will take ten point five, its ten rand fifty which goes to our administration. And then we take another zero point five percent which will go to CTO. And then we have forty nine point five percent of eighty percent that will be going to a discretionary grant. And then of course we further zoom down to the discretionary Grant, eighty percent of forty nine point five percent. It goes to a pivotal they're one that explained earlier which goes to bursaries, to learnerships, work placement and so on. Then of course the twenty percent will go to a mandate three grand. So that's how we'll disaggregate eighty percent of, eighty percent of one percent. Thanks very much.*

**Judge:**

*That's, right from the time I first heard this is one element of this that struck me as distinctly unsatisfactory and that is the ten percent of administration. That's a standard fee right across all the SETA's isn't it? All of them get ten percent of the administration. So overall the administration, the costs which are budgeted for each year come to something in the region of a million a half to, sorry a billion and a half to two billion rands. Something of that nature. That is certainly more than a billion.*

**Mr Mvalo:**

*Yes*

**Judge:**

*In administration costs.*

**Mr Mvalo:**

*I don't have the exact figure now chairperson but more or less.*

**Judge:**

*Yes and that just sounds an absolutely enormous administration cost doesn't it appear so to you?*

**Mr Mvalo:**

*Well I can say there are some instances where by SETA's will come and say they will request that maybe they get more than that but then of course we are not It is laminable to that. But then we closely monitor the usage of that amount for administration*

**Judge:**

*Do you?*

**Mr Mvalo:**

*As we do with others.*

**Judge:**

*And do you find that they spend all their ten percent in administration costs?*

**Mr Mvalo:**

*In most instances chairperson, they do.*

**Judge:**

*Good God.*

**Journo:**

*Mr Mvalo, I was always going through your submissions, the department submission to the commission. And something there that is referred there which is forms part of the discretionary Grant forty nine percent- the forty nine point five percent that you mentioned. And it says that it's called a sector implementation Grant and apparently this amount is used to fund partnerships with T.VETs which include SETA offices and colleges and partnerships with universities to undertake research. This is not an amount that you did mention in your formula before. Can you just elaborate on this on this grant?*

**Mr Mvalo:**

*I said we do have forty nine point five percent, out of forty nine point five percent and we have eighty percent that goes to Pivotal. And then we do have twenty percent which the rest then to the discretion of the SETA and then of course it would include to what you have just alluded to. So it's twenty percent of forty nine point five percent.*

**Journo:**

*The reason I'm asking is because one of the criticisms in the NDP is that SETA's are, there aren't enough links between SETA's and the rest of the P-set sector. So my question to you is*

**Mr Mvalo:**

*the nature of these partnerships between T.VET's and SETA and universities. Are successful out there and have been measured by any targets as set by the department?*

*well I can say Chairperson, that now most Instances yes because if you're going to look into a work-place base-learning in a way upon look for work-places for these young persons In our colleges as well as in our universities and then that will fall into the category of partnerships amongst others.*

**Journo:**

*So, another criticism would then be no proper records of determining the effect of the sector of the SETA's So is there means for the departments to measure the effect of the SETA's in schools developed? Is there a way to measure the effect of the SETA's?*

**Mr Mvalo:**

*Well that is I must say; on a quarterly basis we do monitor SETA's, we enter into service-level agreement with them at the beginning of the financial year. So what happens then thereafter, we monitor that in a quarterly basis. So from our side there is a monitoring mechanism that is in place.*

**Journo:**

*But in terms of actual numbers would be able to elaborate as to how many people are on for instance a quarter. How many people have gone through the system?*

**Mr Mvalo:**

*Well, perhaps what we can do chairperson, we can provide those details, offer those numbers and all of those who have gone through the system because we do have those numbers but then I do not have them now.*

**Judge:**

*Can I just come back to this question that I asked earlier about the SETA's and the administration costs? There are twenty six SETAs aren't there?*

**Mr Mvalo:**

*That's twenty one chairperson.*

**Judge:**

*Twenty one SETAs?*

**Mr Mvalo:**

**Mr Mvalo:**

*Yes*

**Judge:**

*Better still, that means that you are talking about something between sixty and seventy million rand to each SETA for administration cost and you monitor that.*

*Well I must say chairperson, the SEAT's, they differ. You do have like your big SETA's in excess of a billion and then you do have those SETA's maybe in more or less around three hundred million per annum. so the you know, So then you know those big SETA's and then of course there's going to be high in terms of what they get they...*

**Judge:**

*And does each of them get ten percent of its own budget or ten percent of the whole? It is Ten percent of the total income is not?*

**Mr Mvalo:**

*Yes I said Chairperson that ten percent of Eighty percent.*

**Judge:**

*So doesn't the big SETA get the same administration cost of the small SETA?*

**Mr Mvalo:**

*No there is no flat rate. Yeah.*

**Judge:**

*So your big SETAs may be spending one hundred fifty million Rand a year in administration costs?*

**Mr Mvalo:**

*Yes chairperson if you look into that SETA, you compare the proportionality of the work it does with the, let's say smallest SETA so you can't have them spending it more or less the same amount. So you must be equitable terms of our...*

**Judge:**

**Mr Mvalo:**

*Given that that is. But the average, of these twenty one SETA's is something between sixty and seventy million rand a year, which just seems an enormous amount of money just for administration costs*

**Journo:**

*Mr Mvalo maybe if you can assist. And rightly/wrongly maybe you can assist. When you say administration costs. Now I might think it can be Human resources, it can be buying desks. Now perhaps you can this aggregate as you did what the percentages. What did administration costs now? And as a department, now it was with labour I'm not sure whether you were taken over from Labour also, I- I expect so. But be that as it may. In terms of each SETA. And their structure. I would expect that there would be an approval of the structure and how much you would be able to spend like in departments you have sixty two percent of your budget. Mr Tudor, Normally is set aside for personnel cost, if you're over that,*

**Journo:**

*The auditor general or treasury usually says "you're over-spending on salary" but what government has indicated in past years. Sixty two percent of your budget maximum should be personnel costs now in terms of administration Mr Mvalo. If you can because when you just say admin costs and you say hundred and fifty million as the chairperson has indicated what is it made up of?*

**Mr Mvalo:**

*Thanks very much chairperson. It's an illustrated in our SETA grant regulation but then I can go through as it before me. It's: Rent, it's heat, it's light, it's power, it's insurances, it's bank charges, it's audit fee, accounting fees, legal fees, postage, printing and stationary, documentation and books, advertising, reports, wages and salaries, travel expenses, staff training, purchase of computers and information systems, maintenance of computers and systems, general maintenance and hiring cost of photocopier, telephone and fax, it's a whole long list chairperson.*

**Judge:**

*OK*

**Mr Mvalo:**

*But by then.*

**Judge:**

*I get the gist of it*

**Journo:**

*Mr Mvalo, well the reason why just a follow up question on the issue of administration. I'm not sure where's the remote for the screen, if you can just go back to slide seventeen, of the presentation. The slide before that, OK. So this is SETA's, have, Stand to be corrected but in nineteen ninety seven, is when the SETA's were established, Yes so in presentation from today. These are the issues that are facing the SETA's presently. So the goals of largely not been achieved. Good information not being produced, increase provision in quantities, a necessary areas not happening. Limited credibility of the system and so on and so forth. These are all the issues the last one. There says is concerns about poor governance of SETA's. So ultimately I think it follows from the judge's concern in terms of administrative costs. What are these amounts being spent on because ultimately the question that we have to determine is whether we can extract funding from the SETA's. So if these amounts and being used because they're not being used properly. Is this we're trying to consider whether we can*

*extract funds from this. The reason I'm asking you is this perception that they're not that they're not probably governed. What is your comment?*

**Mr Mvalo:**

*Thanks very much Chairperson and I must say if I were to say right now, we're having about ten SETAs with a clean audit from the auditor general. We have I think about three SETA's which have received qualified opinion. And the rest of SETA's received unqualified opinion. So it tells us therefore that mostly in most of the SETAs, there is good work that is taking place of course. and I can mention where a SETA, let's say there are governance challenges, There is a provision in terms of this gives Development Act we have Section forty as well as Section fifteen, section fourteen whereby by the minister, it says the written instruction by the minister to the SETA whereby the minister will say these are the areas that been brought to me and therefore the SETA I'm giving you maybe as so many months or whatever to work these areas. So if maybe let's say this: SETA is not working in those areas and then you go to Section fifteen, Section fifteen is going to lead into a SITA being placed under administration. But then of course that is always the last resort. It's not an area that one would start and commence with in terms of the Skills Development Act.*

**Journo:**

*But generally who would you say that the SETA's are achieving their mandate?*

**Mr Mvalo:**

*Well, with the numbers that we do have and if we look at them mostly in those targets that they do set them because we can only gauge with regard to their performance. On those targets that we have set with them and then I can say in most instances. SETAs are doing great in terms of meeting those targets but then of course we can't say there are no challenges within the system and hence therefore we are busy with a new system that we are planning to implement on the first April twenty eighteen.*

**Journo:**

*Just one follow up question before you respond, what does this new system entail?*

**Mr Mvalo:**

*In each and every five years, SETA's must be re-engineered, so we're busy with what we refer to as a new SETA landscape, so the last one ended on the thirty-first March twenty sixteen. So but then now we're still busy with the process of consultation and of crafting, the new SETA landscape that will be introduced in twenty eighteen.*

**Mr Patel:**

*thank you chair, I think we must just take this slate in context, and the context is that this is what we inherited in two thousand and nine, and a lot of work, so that's the background, of what we've inherited. So there has been considerable improvement, there's been the skills landscape, et-cetera. That SETA landscape, we've also faced some litigation in regards to funds that were changed take back computers and we lost those particular cases to you. The issue is that the white paper also talks of failing saving with the SETA, so yes, there is a possibility of paying savings and what it does but I also want to add that is would we want to*

**Mr Patel:\*Continued\***

*Substitute funds that have been meant for workers that have been disadvantaged for a number of years. Without having the relevant qualifications, without having the skills and have been deliberately set aside from enjoying in terms of the education, so it's a big battle that we would have to with the unions' et-cetera. Employers never ever spend money for the training and the skills Levy was meant for the purpose of people in employment to provide recompleted skills so they can be upward mobility.*

**Judge:**

*If you tell us that money is going to be used for that purpose, I can't agree more with you. But if we go on year by year and there's money which isn't used for that purpose then I think perhaps it can be redirected. And especially into the T.VET sector*

**Journo:**

*Would you like to say something?*

**Mr Mvalo:**

*I just wanted to add to say in the first year when we implemented the new grant regulations, we had a huge surplus. In the second year, the surplus was down. And it's almost close to zero now. So it shows therefore that most SETA's have come to the realisation that if there is money there within them, we're going to take it and will use it for the purpose of skills development.*

**Journo:**

*So on you're planning, what's the effect of that? Does it mean there is no surplus in that, their using the money correctly or they are just avoiding it being available because it gets take?*

**Mr Mvalo:**

*We have not done an analysis now as of now for the financial year that ended on thirty-first march. but then if you go to grant regulations especially trade wealth, it is a regulation three*

*sub-regulation twelve, whereby it says if there is a surplus that is there within the SETA, which is uncommitted, that one is transferred to NSF.*

**Journo:**

*It is specifically directed to NSF?*

**Mr Mvalo:**

*Exactly.*

**Judge:**

*The imbalance in the NSF and I know that the government has used it for sorts of purposes. Where finance has been lacking.*

**Vian:**

*Thank you chair, the present balance in the NSF is about ten point five million rands, in terms of surpluses in terms of the financial statement. However one must understand that those surpluses does not entail cash, per say. So,*

**Judge:**

*I thought i heard it said in parliament the other day that the national skills fund has been used as not a guarantor but some sort of backup for government spending or government obligations.*

**Vian:**

*Chair that national treasury can provide more background or a more clear answer on how they do the budgeting process and that type of thing,*

**Journo:**

*But I think the chairperson is relating to government, ask for loans from certain sector throughout the world and you need to provide guarantees, one guarantee would be the bond system that they have. Now the chairperson is talking about the issue of whether the NSF surplus has also been included as a guarantee to loans that are made.*

**Vian:**

*Chair as I have indicated I'm not at a position to provide an answer for that that would be the officials in the national treasury, to give an answer to that. In my position, I'm fairly aware that there is some usage of the funds, for, but how it works, I can't even answer that...*

**Journo:**

*Well, let me ask you this then; who administers the funds?*

**Vian:**

*Fund is obviously at the, the accounting of fright of the national skills fund is the director general of the department of higher education and training. And he appoints and executive officer who is responsible for the day-to-day management of the funds.*

**Journo:**

*Right, so let's move from there. if you are the accounting authority for that particular fund, it would then be logical that person must then be in the know of as to whether a guarantee has been, well, monies, the loans pledged, this fund has been provided as a guarantee, but you for want of a better word, lower down the chain, that would not have knowledge of that or would you?*

**Vian:**

*sir what I can indicate to you chair, in my limit of knowledge which would have to be confirmed with the national treasury, is that national treasury consolidates all asses and reserves and so on of governments to give a consolidated picture in order for them to obtain loans, so if they obtain loans, it's not necessarily per-say that it's specifically against a specific fund like the national skills fund. As I've indicated, that would please have to be confirmed with the national treasury.*

**Journo:**

*OK, thank you.*

**Vian:**

*Thank you*

**Journo:**

*What's the growing rate, there's a monthly contribution, if you say now we're sitting on about ten, how, what's the, how much does it grow, maybe monthly or annually or sixmonthly or quarterly?*

**Vian:**

*The National Skills fund surpluses in the twenty fourteen-fifteen financial year, was it eleven point two -three billion, to three nine billion and the twenty fifteen-sixteen financial year, which is the recent one, it was a ten point eight seven eight billion. So it declined by more or less three hundred million.*

**Journo:**

*Is it unemployment have an effect on that and that you get less people contributing other than the uses.*

**Vian:**

*so, if I can just answer the question, what I must just distinguish here is now I have referred to the surpluses that declined, I think your question relates to the revenue, the Levy, how this unemployment impacts on the Levy. Ok, if that's the answer.*

**Journo:**

*Please if that and then the surplus later,*

**Vian:**

*So, in terms of the Levy growth, what is interesting about the Levy is that even during the time when economy experienced a recession. The Levy still grew by 'round about nine percent. It grows on average, year-on-year from anything from the past ten years. From eight percent to thirteen percent, on average.*

**Journo:**

*And the figures for that? Monetary value.*

**Vian:**

*The Levy received during the twenty fifteen-sixteen financial years as I've indicated was fifteen point one five tow billion rands. That was the total Levy received. So that grew by, if I'm not mistaken, it was 'round about ten percent from the previous financial year.*

**Journo:**

*Mr Mvalo, I just have two more questions for you, if you don't mind I'll just ask both of them and then you can just answer them.; well, the first issue with regards to skills in the country has the department taken a comparative study with other developing countries as to how they tackle the issue of skills development, as compared to the model that we have here with regards to the SETAs. And then finally, with regards to the skills development Levy that your colleague was just dealing with now. I was reading a proposal yesterday for fee-free education from the students. So I think it was meant. It was presented yesterday by WITS students, one of the issues in relation to the Skills Development Levy That was mentioned Was that the skills development Levy should be increased from one to three percent for the next three years and it would inject an amount of at least twenty four billion each year which can be be-ring fenced fund students as the department you foresee any Practical or policy issues with such a proposal.*

**Mr Mvalo:**

*That's a very good one, and yeah I know that for a fact that there has been talk in some circles with regard to but then not for the bursaries or to contribute to the university sector but then to contribute more in terms of skills development in the country. But then if you look into our current proposal of the new SETA landscape, we are not in anticipation of increasing the Levy to one percent and then I must say of course because now you are, or we are bordering into other areas because that would be the national treasure in terms of the monies Act, So it's not within ambit or remit of the department of higher education and training. So it's becoming, it's an issue about will be, Quite very difficult to navigate through if from us but then I can say it to us we want to work with this one percent as we have been working but then try to be efficient and effective in terms of working on it and I must say already if you look into SETAs, they dis-contribute substantiality to NSFAS, is either for*

**Mr Mvalo: \*Continued\***

*students in universities it is all students in colleges. Just for fourteen fifteen. It was more or less four hundred million, I know also in other years the SETAs have been contributing in terms of the bursary either in universities or colleges. So it's not going to be a new terrain to the SETAs whatsoever to this it has whatsoever.*

**Journo:**

*Sorry, just a follow-up question. Just from a policy perspective what considerations Would For instance the department take into account before increasing this, because I know it's Treasury's mandate but obviously the to a certain extent it would have would be consulted on the issue.*

**Mr Patel:**

*Look chairperson this falls under the head of legislation and policy, it will have serious, serious implications and consequences. We have to amend the skills development Levy act*

*which is a money bills act. As Mr Mvalo indicated that goes together with a lot of other consequences around the economy, the cost of doing business in South Africa et-cetera, but the treasury can answer. In regards to the governance see this governance issues because at the moment the SETAs are technically it's not government money. It is a contribution by the employer and employee towards skills development. It's a Levy and the management of those funds a particularly left in a governance of employers and employees of equal measure, government has a watching brief over that particular area so the issue is if two percent is going to be used which can be used for education not a problem. But the issue is how the governance then particularly works because at the moment governance is those that contribute into that particular fund.*

**Journo:**

*Just to follow up, so it is doable? Just that it just needs a bit of attention into it like a policy change amendment of the legislation but it's something that could be considered.*

**Mr Patel:**

*Easier Just a raise income tax by two percent or to raise company tax by two percent. Because it is getting involved in the whole policy area of a terrain around consultation of the skills of employees in the workplace. So it's doable but I don't know if it's the right mechanism because- because look the boards won't work because only one third of them, that is their money. The other two thirds is an indirect taxation and I think treasury has done a lot of work in regards to increasing the cost of doing business at the moment the skills Levy does not reflect as taxation in terms of general taxation.*

**Journo:**

*The question on the comparative study of developing countries.*

**Mr Mvalo:**

*Basically I must say as such we have nothing We have done like I know the department is doing a lot of work whether it's Germany or other countries in the world which are in fact all working with them in various projects but not specifically with regard to how SETAs and specifically a project around SETAs.*

**Journo:**

*Thank you my Colleague has a few questions; I'll just pass over to her.*

**Journo:**

*I have three questions so I hope I won't be long. The first one might be based on an incorrect premise. the first issue relates to institutional autonomy in the T.VETs, am I correct to say that in the T.VETs, the norms and standards introduce the capping of fees. Or am I wrong?*

**Mr Patel:**

*You are correct; the norms are standard to cap fees*

**Journo:**

*So unlike universities who have that discretion to increase what it is until a few weeks ago. They have discretion to cap them but they don't have that discretion or it's not as wide let's put it that way. It's a bit limited.*

**Mr Patel:**

*No, it's correct, in fact it's capped. Its absolute for T.VET colleges, they can't go beyond...*

**Journo:**

*Ten percent or something of that sort.*

**Mr Patel:**

*That's right*

**Journo:**

*Now is this not a difficulty for a sector that's already underfunded because it's just lost its second leg of funding, or am I stretching it?*

**Mr Patel:**

*With all the respects. No, I think you're stretching it because on the one side we are asked to cap fees and basically your what's in your question is that Shall we open it up, our issue is that we understand and in my experience at the school system when we have to fight to bring in no fee schools is the issue that discretion to raise revenue in the hands of something That we don't control really is uncontrollable. So we what we do as a compensation is that we determine the full cost of providing education and by providing the full cost. We've*

*Calculated the full cost. So we've given them eighty percent of it. So it's a maximum Levy here to bring in is the twenty percent and they have a slight edge because SETA is normally sitting at around seven six five So that what that bit of a premium. If you can go up ten percent.*

**Journo:**

*So even if the recent decision of the Eight percent of inflation the recent ministerial decision wouldn't really affect T.VETs because it wouldn't reach that eight percent inflation.*

**Mr Patel:**

*No, eight percent is below the ten percent. So the issue is that while we had these particular issues that T.VETs has really been done hard by really hard. For example the debt impairment. They are sitting with a debt book of one point two five billion rands. They have to write off seventy five percent. As universities were bailed out. It does of that debt book. So I'm not surprised if you got quite a bit of concerns raised by the stakeholders in the T.VET Sector,*

**Journo:**

*Now just skip to the last question. And this relates to the issue of perception of T.VETs as what one student called the dumping ground for learners who cannot make it or could not enter into universities. Now. How do you address that aspect and change that perception because once you do. Surely one of the effects is you start to invert the inverted pyramid.*

**Mr Patel:**

*Chairperson the ministers have been made since two thousand and nine to really transform the particular system. I mean the biggest transformation was removing them from provincial control to that of national, so that's number. Number two is to make T.VETs an institution of choice. So there has been a solid marketing around that particular area in the early years when we took over. We had a lot of colleges in the administration something like about ten or fifteen. currently We have none of them on the administration, look the dumping ground issue is we've invested quite a bit into career advice, career guidance and the issue of marketing, we are slowly seeing that we are an alternative and we, I mean the long term issues to become an alternative to university but we have to change the issue of curriculum as well as the governance of finance*

**Journo:**

*And perhaps one of the ways to do that is to refer to them as institutions of higher learning. In part to the extent that it applies.*

**Mr Patel:**

*Yeah that's a policy issue chairperson.*

**Dr Van Starden:**

*Chair can I maybe add if I'm allowed. What the Minister has done is to create a partnership model with the universities to assist the colleges to offer programs at certain NQF levels five and six, one of the processes which we have to deliver a plan by next year March twenty*

**Dr Van Starden:**

*seventeen is how we utilize the space of NQF level five for the for the colleges to have a progression route from NQF level four to five and you can't just introduce that kind of qualification without Developing the critical mass in the colleges and therefor the university has the mandate to partner with selected relevant colleges in the region,*

**Journo:**

*And there funding for that I presume*

**Dr Van Starden:**

*We have started with a pilot we have provided ten million to the University of the Free State to pilot it with four colleges so we testing and seeing what the cost implication of that will be before we expand it to the areas of the system.*

**Journo:**

*Thank you*

**Mr Mvalo:**

*Chairperson I just also wanted to indicate that we have started to do another process as well in our T.VET colleges often showing that to each and every. College is serving a SETA office. Because in the main we're trying to mitigate. The world of education in and the world of work. So all our colleges we have in excess of forty currently if you look into our fifty colleges. Thanks very much chairperson.*

**DR Van Starden:**

*Sorry chairperson and I have a few questions for mopping up. But I'm happy to pose those at the end of tomorrow. So that we have one session to mop up if that's OK with you chairperson I am aware of the time constraints and I see that it's now quarter to four.*

**Judge:**

*I'm just worried on how many of these presenters are going come back tomorrow*

**Dr Van Starden:**

*I'm not sure, maybe...*

**Thandiwe:**

*We need to be clear about who's going to be here.*

**Dr Van Starden:**

*You may be affected. I mean the SETAs may be affected*

**Judge:**

*I'm not quite to what extend these ladies and gentlemen would be involved in tomorrow conference.*

**Dr Van Starden:**

*I think they will be because we're dealing with ministerial reports chair.*

**Judge:**

*Unless you have some strong request or objections, I suggest we follow the department.*

**Thandiwe:**

*Can I clarify chair are we, are you requesting that we're all present tomorrow just because we will need to rearrange our schedules, if it's that's a request we can organize it but...*

**Dr Van Starden:**

*now I think that we happy to make do with the team that that's going to deal with ministerial reports tomorrow but whoever is free tomorrow we would welcome your presence.*

**Judge:**

*We're Very much indebted all of you who've come today. And we thank you for your substantial input. And we look forward to the contribution of some of you tomorrow as well. Thank you. Court adjourned*