



**EQUAL EDUCATION SUBMISSION TO THE STANDING COMMITTEE ON APPROPRIATIONS
REGARDING LEARNER TRANSPORT PROVISION IN KWAZULU-NATAL**

SUBMITTED BY:

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Overview

Equal Education welcomes the opportunity to present its findings regarding the provision of learner transport in KwaZulu-Natal, to the Standing Committee on Appropriations. Given extensive research into a lack of scholar transport as barrier to quality basic education, not only in KwaZulu-Natal (KZN) but the whole of South Africa, Equal Education proposes that the introduction of a conditional grant would best address the failure to meet the needs of all learners who are walking unacceptable distances to reach school. Our submission is structured as follows:

1. In **Part 1**, we provide an overview and background of Equal Education
2. In **Part 2**, we detail Equal Education's struggle and advocacy around learner transport provision
 - a. Equal Education's learner transport court case
 - b. Equal Education's call for a learner transport conditional grant
3. In **Part 3**, we discuss research specifically regarding the feasibility of a conditional grant to fund learner transport

Part 1: Background

Equal Education (EE) is a membership-based, democratic movement of learners, parents, teachers and community members. Our core objective is to work towards achieving quality and equality in the South African education system. In order to do this, we conduct a broad range of activities. These include campaigns grounded in research and policy analysis in support of public action and mobilisation. Where necessary, we use legal processes to advance the value of, and to contribute to, a strong civil society that holds government, private interests and individuals accountable.

EE's core membership base is high school learners, known as 'Equalisers', who actively advocate for quality education for all across five provinces: Eastern Cape, Limpopo, KwaZulu-Natal, Western Cape and Gauteng.

Part 2: Equal Education's advocacy regarding learner transport provision

A. Equal Education's learner transport court case

EE has been involved in the struggle for the provision of learner transport since July 2014 when Equalisers based in Nquthu, northern-KZN, raised the lack thereof as a serious barrier to

education. Equalisers testified to the great difficulties they face when walking to school and back everyday - that includes walking very long distances in extreme heat and in thunderstorms, and crossing rivers and mountains, at great risk of violent crime including sexual assault.

Once reaching school, it is exceedingly difficult to concentrate due to exhaustion and hunger. Equalisers and other learners have no time or energy to study or complete homework when finally arriving at home. As a result of these far distances, many learners are absent from school, or drop out all together.

At every opportunity we have demanded:

- The provision of scholar transport for schools in Nquthu, KwaZulu-Natal (KZN), identified by EE members as qualifying for such transport;
- That clarity be provided on the status off the KZN Scholar Transport Policy;
- Funding for learner transport in KZN; and
- A national learner transport policy be adopted and that a conditional grant be developed.

The National Scholar Transport Policy was adopted in 2015. EE secured learner transport for three Nquthu schools in that same year.

We continued to advocate for transport for 12 other schools in Nquthu that we discovered also qualified. The continued lack of a decent response from the KZN Department of Education (KZN DoE) and KZN Department of Transport (KZN DoT) to our demands, and the lack of cooperation between the two provincial Departments in providing learner transport, led us to litigate against them with the help of our sister organisation, the Equal Education Law Centre (EELC).

- In November 2017, our case was heard in the Pietermaritzburg High Court, with Equalisers from Nquthu in attendance. Before the hearing began, the lawyers representing EE and the lawyers representing the KZN government entered into negotiations resulting in an undertaking by the KZN Department of Education that was made an order of the court.
- In terms of the order, the KZN DoE undertook to provide learner transport to learners in the 12 Nquthu schools who are hindered by distance and an inability to afford scholar transport by 1 April 2018.
- The undertaking also states that the KZN DoE must report back to the court on 1 April on:
 - The status of the KZN Scholar Transport Policy;

- How national and provincial co-operative governance structures will plan, provide, implement, monitor and evaluate learner transport in KZN;
- The plans that the KZN DoE and KZN DoT will make to address the issue of learner transport in the province more broadly, and when these will be fulfilled; and
- The alternative modes of transport that will be considered, and whether and by when these are planned to be implemented.
- This is a significant victory for us. We are committed to monitoring the roll-out of the transport for the 12 schools, ensuring that sufficient transport is provided and that the correct process is followed when determining the number of qualifying learners.

B. Equal Education: A case for a conditional grant

As we campaigned for learner transport for the 12 Nquthu schools and for schools in KZN more broadly, we have simultaneously advocated for the introduction of a conditional grant to fund learners across South Africa.

Our advocacy specifically around the introduction of a conditional grant has included:

- **April 2016:** Presented recommendations on the Division of Revenue Bill to the Standing Committee on Appropriations
- **March 2016 and 2017:** Made submissions and presented recommendations to the Standing Committee on Appropriations on the Division of Revenue Bill
- **March 2017:** Protest at the KZN State of the Province Address
- **October 2017:** Picket outside the Department of Basic Education (DBE) offices in Pretoria
- **Ongoing:** We have consistently cited the need for a conditional grant to fund learner transport in our public responses to the Medium Term Budget Policy Statement (MTBPS), the Basic Education Budget Vote, the National Budget Speech, and the State of the Nation address. Whether in the form of submissions, media statements, and newspaper articles.

National government has responded positively to our calls for a conditional grant, making public commitments that include:

- **September 2014,** DBE presentation to Select Committee on Appropriations: A conditional grant for subsidised learner transport “*will continue to be explored*”
- **May 2016,** Standing Committee report to Parliament: National Treasury, DBE and others

should “*explore options that allow for the ring fencing of funding allocated to scholar transport to be used solely and exclusively for that purpose.*”

- **May 2017**, Minister of Basic Education Angie Motshekga during a media briefing: DBE is “*open to looking at a case for the ring fencing of the learner transport budget in the form of a conditional grant to ensure that the budget is spent in the area it is intended for.*”
- **May 2017**, Director General of DBE Mathanzima Mweli to Portfolio Committee: “*if all goes according to plan in the discussions with National Treasury, a conditional grant will be introduced in 2018/2019.*”
- **October 2017**, DBE in response to a memorandum from us: “*Following the recommendations from the Standing Committee to consider establishing a conditional grant for learner transport, the DBE together with the Department of Transport and National Treasury met to discuss the proposal and recommendations.*”

It is encouraging that national government is starting to recognise the need for a conditional grant.

The DBE sees the introduction of conditional grant as a National Treasury competency. However, the National Treasury itself does not have the power to introduce a conditional grant. The national **Departments of Education and Transport must draft a proposal** which must then be endorsed by Cabinet. According to National Treasury, the conditional grant **could be introduced within a year of the endorsement of the proposal by Cabinet.**

Part 3: Specialist research into a learner transport conditional grant

In this section, we consider research commissioned by the International Budget Partnership (IBP) and undertaken by specialist researcher Debbie Budlender into the feasibility of a conditional grant to fund learner transport. EE undertook a basic calculation to determine whether, if current budget allocations and delivery patterns remained constant, in which year it would become possible that all learners in KZN who qualify for transport will be provided with it. The calculation assumes that the number of learners in need of transport remains constant, *and* it does not take into account inflation, so it no doubt underestimates the length of time that it would take.

Nevertheless, when using the DBE’s estimate of need in KZN, the earliest that all qualifying KZN learners would receive transport is the **2026/27** financial year. When using the estimates of need according to the specialist research, large numbers of KZN learners will continue walking brutal distances to school until the **2044/45** financial year.

We must emphasise that this calculation assumes that the need remains constant. In the context of school rationalisation, it is likely to increase.

It is clear that an intervention is needed.

The case for a conditional grant:

Provincial education departments (PEDs) usually cite inadequate funds as one of the main reasons that they are not providing transport to all learners who qualify.

PEDs are expected to fund the provision of learner transport using their equitable share allocations. However, simply increasing the equitable share is not likely to solve the learner transport funding shortfall, for these reasons:

1. The equitable share is an unconditional allocation from National Treasury, which allows provinces to use their own discretion in allocating the budget they receive. EE has observed that the budget for learner transport is often the first to be cut when provinces face budgetary pressures. A conditional grant will prevent the diversion of funds allocated to learner transport, because the funds would be ring-fenced.
2. An increase to the equitable share would be allocated in the same manner as the rest of the equitable share, instead of being in proportion to each province's learner transport needs. A conditional grant will match financial allocation to need.
3. A conditional grant would allow for a level of oversight by National Treasury and other stakeholders that is not otherwise possible. Most provinces do not have a specific sub-programme for learner transport so the budget amounts are not recorded separately. Further, in some provinces, spending on learner transport is included in the budget of the provincial education department, while in other provinces, it falls under the budget of the provincial department of transport. A conditional grant would ensure that allocations and expenditure can be easily traced and monitored.

In sum, a conditional grant will ensure additional funding specifically for learner transport, subject to strict levels of accountability and transparency. It will ensure that the specific needs of provinces are provided for, assisting those with the greatest demand.

The Budlender research shows that a conditional grant is feasible. It outlines two models for the conditional grant.

Model 1: Per this model, all learner transport funding would be included in the conditional grant. To fund the grant, an amount equivalent to the total national expenditure on learner transport in the 2017/18 financial year, adjusted for inflation, would be deducted from the equitable share (ES). In the 2017/18 financial year the total national expenditure on learner transport was R3 040 981 000. If this amount does not change in the following year, but is adjusted for inflation, the total budget available for a learner transport grant will be R3 223 439 860. If these amounts are “transferred” to a conditional grant, the total ES will have to be reduced by the same amount.

Allocations to provinces from the learner transport grant would be calculated using a new formula, based on learner transport need in each province.

However, when the reduced ES is allocated in the 2018/19 financial year, allocations will still depend on the ES formula. This means, of the R3 223 239 860 that was taken from the ES, provinces that usually receive a higher share of the ES will experience a greater loss. The table below illustrates this dynamic:

Table 1: CALCULATION OF NET CHANGE IN EQUITABLE SHARE WITH CONSTANT TOTAL BUDGET

Province	2018/19 total budget allocated using province-specific mean cost per learner	Total budget (adjusted for inflation) deducted from ES according to 2018/19 % shares	Net change in provincial allocations after deduction
EC	527 880 000	452 330 824	75 549 176
FS	42 400 000	179 687 325	-137 287 325
GT	825 820 560	635 978 053	189 842 507
KZN	201 400 000	681 850 459	-480 450 459
LIM	290 440 000	378 629 351	-88 189 351
MPU	495 494 880	263 117 448	232 377 432
NC	132 828 600	85 460 704	47 367 896
NW	304 326 000	221 990 661	82 335 339
WC	402 849 820	324 395 036	78 454 784
RSA	3 223 439 860	3 223 439 860	0

Source: Source: Budlender, D. (2017) *A proposal for a Learner Transport Conditional Grant*. p. 24.

KZN will receive R 201.4 million from the new conditional grant (funds “transferred” from the ES). This allocation will be based on total learner transport need and an estimated province-specific cost per learner for transport. However, in the same year it will receive an ES allocation that is R 681, 9 million less than what it would have been. This means that it will receive R480,5

million less from nationally-raised revenue as a result of the introduction of the conditional grant.

For provinces like KZN, the amount deducted from their equitable share will be greater than the amount they receive from the learner transport grant, leaving them at an overall disadvantage. The proposal is therefore that National Treasury allocates additional funds to ensure that each province's equitable share allocation is, at the very least, equal to its previous value minus the amount that the province now receives through the conditional grant. This would require a once-off injection of **R2,5 billion**, apart from annual adjustments for inflation. While this value seems large, it would add only about 0,5% to the ES of R470 billion allocated for 2018/19.

This adjustment to the ES leaves the amount allocated to learner transport at the same level as it was previously. That amount would need to increase if we hope to see a change in the amount of learners being serviced. The proposal is to then add a further 10% to the total of the conditional grant, which would be divided between provinces according to their unmet need for learner transport.

In subsequent years the portion of the conditional grant that was determined by what provinces were spending on learner transport in the 2017/18 (the R3 040 981 000), would be increased in line with inflation. The additional 10% portion added to the conditional grant by calculating remaining need would be adjusted by both inflation and a further 5% each year.

Model 2: In the second model, the current budget that provinces allocate for learner transport from their provincial budget, remains as is. Funding from the conditional grant will then be used only for learners who, despite qualifying, are not currently being provided with transport.

This model proposes that the grant would start out at 10% of the total expenditure on learner transport 2017/2018, adjusted for inflation. It would be adjusted by both inflation and a further 5% of the 2017/18 expenditure on learner transport each year. For model 2, the total amount needed in 2018/19 is **R322 million**.

Model 1 is more expensive, as it would require the same investment plus the addition to the equitable share. This means that the total additional amount needed in 2018/19 would be **R 2.8 billion**, that is R2.5 billion to add to the ES, and R 322 million to add to the grant. However, after the initial injection to the ES, the cost of the two models are the same.

A disadvantage of model 2 is that learner transport spending would come from both the equitable share and the grant, making it harder to track spending. To track expenditure with

this model, a requirement of the grant would be that provinces should report on allocations, expenditure and performance.

A more detailed explanation of the models can be found here:

<https://www.internationalbudget.org/publications/south-africa-proposal-learner-transport-conditional-grant/>

Conclusion

A lack of safe, government-subsidised learner transport continues to hinder South African children's immediately realisable right to education. Our members have struggled and continue to struggle to reach school each day. Taking unsafe private transport, threats of physical violence and sheer exhaustion from walking long distances to school should not be part of any learners' daily routine. Securing transport should not require a court battle.

The publication of the National Learner Transport Policy was a victory for Equal Education members. But we have learnt that until an adequate budget is allocated to learner transport, this Policy means very little. Over a million learners in need of transport to school are currently without government-subsidised scholar transport. Despite the safety provisions outlined in the Policy, in the first half of 2017 alone 36 learners died in taxi and bakkie collisions as they made their way to and from public schools in South Africa.

Equal Education has made several submissions to Parliament advocating for a conditional grant for scholar transport, and unpacking the rationale for this much-needed additional, ring-fenced funding. We call on this committee to urge the Departments of Education and Transport to draft a conditional grant proposal for consideration by Cabinet. Learners' safety cannot be postponed any longer. The #LongWalkToSchool must end.