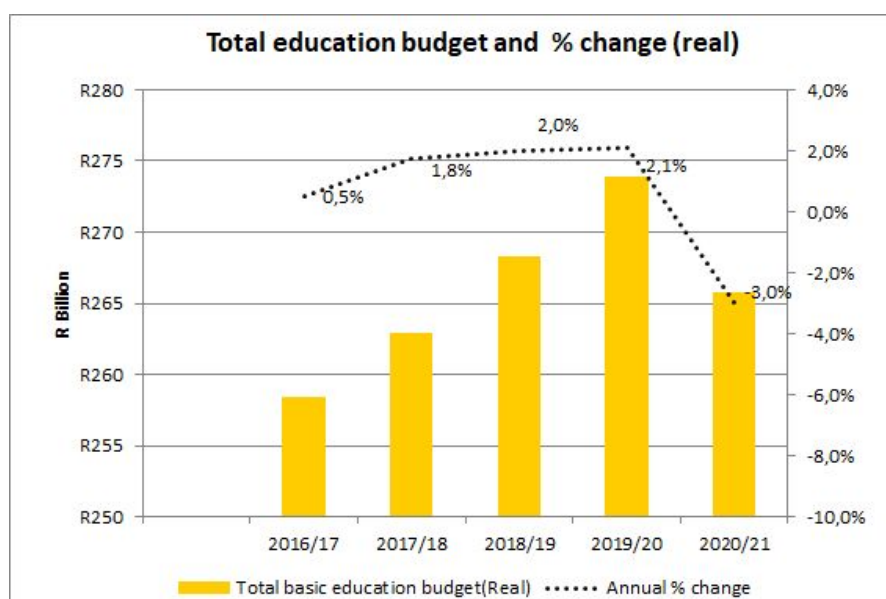


## Equal Education budget 2020 analysis: Mboweni tables a shrinking basic education budget

27 February 2020

The 2020 national budget, tabled yesterday by Finance Minister Tito Mboweni, revealed for the first time in recent years, a decrease in the total basic education budget, when inflation is taken into account. This means that the entire pot of money available for national and provincial education departments, is shrinking. While we have consistently raised the alarm bells about the [slow growth](#) of the education budget over the past couple of years, we had not yet seen an actual decrease. This decrease was not projected in last year's Medium Term Budget Policy Statement (MTBPS).



At the national level, the Department of Basic Education's (DBE) budget has been shrinking since 2016, and this trend continues in the 2020/21 financial year, with a decrease of 1.0 percentage point, when inflation is taken into account. The consequences of this cut, are felt across various education priorities and includes cuts to school infrastructure grants, the school nutrition programme and the DBE's Second Chance programme that supports learners to pass their matric exams.

### Department of Basic Education (DBE) budget

Rand in millions	2016/17	2017/18	2018/19	2019/20	2020/21
Nominal adjusted	22 413	22 993	23 669	24 504	25 328
Annual % change	5,3%	2,6%	2,9%	3,5%	4,5%
Real	26 702	26 163	25 748	25 582	25 328
Annual % change	-0,9%	-2,0%	-1,6%	-0,6%	-1,0%

We welcome Mboweni's announcement that government is prioritising the building of new schools, replacing schools built from inappropriate materials, and providing schools with water, electricity and toilets. However, it's difficult to reconcile this commitment with the reductions to both national and provincial education infrastructure grants.

Over the next three years, R1.9 billion will be cut from the Education Infrastructure Grant (EIG), which allocates money to provinces for school infrastructure. The School Infrastructure Backlogs Grant (SIBG), which gives the national DBE funds to urgently address the worst school infrastructure problems, is being reduced by R112.8 million over the same period. These cuts are on top of the R7 billion that was slashed from school infrastructure funds in 2018. While the budget presents plans to ramp up infrastructure and sanitation delivery to schools over the next three years, the SIBG budget will, in the 2021/22 financial year, be less than the amount allocated to the programme three years ago.

While the breakdown of the provincial education budgets is not yet available, the budget today reflected slower than projected growth in provincial allocations. This will likely have an effect on all provincial budgets, including education. We know that already some provinces are not able to transfer the minimum per learner allocation to schools, as prescribed by national government, and this situation may worsen as a result.

These budget cuts reflect the very real cost of State capture and mismanagement. While funding for a key priority such as education is being slashed, State-owned entities (SOEs) are receiving billions in bailouts. Over the last 12 years, government has allocated a staggering R162 billion to SOEs. Another R129.2 billion will be allocated to SOEs over the next three years.

Shrinking budgets necessitate rigorous planning, and efficient and effective expenditure from the national and provincial education departments. We reiterate: government must clean up its house - desperately needed public funds are being [mismanaged and squandered](#). We demand that national and provincial governments hold those responsible for mismanagement and corruption accountable, and to address irregular and wasteful expenditure.

**[END]**

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