



higher education
& training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

MINISTER OF HIGHER EDUCATION BUDGET VOTE SPEECH: NATIONAL ASSEMBLY

03 July 2025

- **House Chairperson and Members,**
- **The Chairperson of the Portfolio Committee on Higher Education, Hon. Tebogo Letsie**

I dedicate this 2025/26 budget to the memory of our fallen heroes and heroines in the Post School Education and Training who have recently passed. In April this year, Sisonke Mbalekwa was shot and killed while running away during student protests at Walter Sisulu University's Mthatha Campus.

Further, just last week – Mr Sinethemba Mpambane, the Deputy Vice-Chancellor for Institutional Support and Development at Walter Sisulu University was laid to rest. All these tragic gun violence-related deaths destabilise our institutions of higher learning – communities and families as well as the broader academic community.

This violence forces our institutions to spend resources on security measures – resources that could be more productively applied to academic investments. I condemn this violence in the strongest terms because now our institutions are becoming more unsafe.

Despite this violence, our commitment remains steadfast: to build a post-school education and training system that is inclusive, equitable, and responsive to the needs of our young people and our nation.

For the current Medium Term Expenditure Framework cycle the Department's budget has increased at an average annual rate of 4.4%, in nominal terms.

The total budget allocation for the current financial year is R142.4 billion. It increases to R150 billion in the next financial year (2026/2027) and to R158 billion in 2027/28. In real terms, this growth is not sufficient to meet growing demands for additional resources.

2025 marks the first year of implementation of our five-year strategic plan for the period 2025 to 2030. Amongst others, during this period, our overall strategic focus areas will be on improving education outcomes and skills.

We intend to complete Phase One of the University of North-West Mining Campus by 2030.

Work to refurbish the erstwhile Giyani College of Education into a state-of-the-art campus of the Tshwane University of Technology with first student registration in the 2026 academic year is currently underway.

Honourable Chairperson,

In terms of the sector allocations, the following comments on selected budget items bear relevance:

The budget of Technical and Vocational Education and Training (TVET) for the current academic year is R14 billion, an increase from R13.1 billion in 2024. This budget is projected to increase to R14.7 billion next year.

We remain committed to repositioning and rebrand TVET Colleges as a institutions of choice for various careers of our young people. For too long, vocational skills were seen as second-class – but today, we are saying loud and clear: becoming an artisan is not a backup plan — artisanal training and development is the backbone of a thriving economy of the twenty first century. It is cool to be an artisan of the 21st century it is cool!

Our national skills development lever consisting of the SETAs and the National Skills Fund have a combined budget of R26 billion for the current financial year. This budget will increase to R27.8 billion in the net financial year.

Student funding through the National Student Financial Scheme (NSFAS) has grown since 1991 from disbursing R21.4 million to R54 billion. Between 2019 and 2024, NSFAS disbursed R244 billion, benefiting 4,695,757 students in both universities and TVET colleges.

The NSFAS budget for the current academic year is R48.7 billion – and it will increase to R51 billion next year – and R53.4 billion in 2027. While this is not sufficient to meet the growing demand for access to higher education, we continue to seek efficient ways of allocating limited resources to ensure that no deserving learner is left behind.

Many bright and talented students are left behind as they do not qualify for government funding. NSFAS will remain committed to implementing of a comprehensive student funding model for higher education to address the needs of the “missing middle”.

Towards assisting the “missing middle”, the National Skills Fund has set aside R3 billion over a three-year period. The first allocation of R1 billion was transferred to NSFAS in 2024 and progress on implementation of the R1 billion is underway.

This is a clear indication that the government has been prioritising education and its quest to broaden access to those sections of our communities who had no access to PSET in the past.

Students living with disabilities receive specific support in the form of assistive learning devices. NSFAS support enables public institutions of higher learning to receive sufficient funding to ensure quality tertiary education outcomes.

NSFAS support to the property sector has enabled transformation across the student accommodation portfolio and has enabled aspiring landlords to start scaling their property enterprises.

Overall, budget for university education increases from R91.7 billion in 2024, to R96 billion in 2025 – and to R100.4 billion in the 2026 academic year. In the current academic year, we acknowledge that there is R1.4 billion deficit on the universities budget.

We continue to work with National Treasury to find a sustainable adjustment to universities budget.

In February this year, I announced the appointment of the new Board of NSFAS. The Board is comprised of highly qualified individuals with the expertise necessary to promote efficiency, accountability, and transparency within the organisation.

In the 2025 academic year, NSFAS is supporting approximately 811, 011 students across various universities and TVET Colleges. Of these, university students' number 580, 000, while TVET students total 231, 000.

NSFAS has initiated direct consultations with various institutions to assess their capacity to accommodate NSFAS operations within their premises in its effort to decentralize its operations.

Following concerns regarding accommodation payment processes, NSFAS conducted a comprehensive legal review on the contracts of student accommodation intermediaries who are charging 5% fees.

We are waiting for a final report for us to decide in this regard. This is our commitment to clean governance; accountability and transparency and to root out any potential corruption and maladministration in PSET.

House Chairperson,

We are committed to repositioning and transforming the National Skills Fund to target youth unemployment in line with the Medium-Term Development Plan. The Fund will continue its support to the Human Resource Development Council of South Africa and the National Skills Authority in steering national skills and human resource development strategies.

In the State of the Nation Address, in February this year, his Excellency President Cyril Ramaphosa announced a set of comprehensive measures to further support persons with disabilities as part of transformative initiative to empower over 10,000 persons with disabilities through tailored training programmes, stipends and specialised tools with an investment value of R1 billion.

Furthermore, The Presidential Youth Employment Intervention, a key initiative aimed at reducing barriers and expanding employment and training opportunities for young people will receive priority.

The National Skills Fund will continue to fund artisan development and contribute to National Development Plan target of 30,000 by 2030.

House Chairperson,

Funding for the Just Energy Transition skills requirements will be provided through bursaries, scholarships, occupational programmes, and work integrated learning.

I am proud to share that the Department is leading South Africa's Just Energy Transition Skills Portfolio. As part of this work, the Department will officially launch both the Just Energy Transition Skills Desk and the National Just Energy Transition Skills Advisory Forum on 29 August 2025.

For its implementation we will work in close partnership with government departments, industry, labour, education and training institutions, and communities to build a more inclusive and agile skills system.

Honourable Members, this year, South Africa took over the Presidency of the G20. The Department of Higher Education and Training (Department) will continue to lead; in collaboration with the Department of Basic Education, the G20 Education Working Group which will include hosting of the remaining Education Working Group Meetings in Mpumalanga province.

We have identified three priority areas for deliberation in the G20 Education Working Group:

- (a) Quality Foundational Learning: The Role of the Early Childhood Care and Education to Improve the Quality of Foundational Learning
- (b) Mutual Recognition of Qualifications in a Global Context; and
- (c) Education Professional Development for a Changing World.

We will ensure that our higher education institutions play an active role in the G20 Presidency through participation in seminars covering a variety of priority areas and topics.

Recognition of qualifications and skills across borders is no longer optional, it is mandatory. The significance of mutual recognition of qualifications and skills is critical to foster academic mobility for students, researchers and lecturers; labour mobility for skilled workers; policy coherence across countries and regions.

Honourable Chairperson,

The Skills Development System will continue to prioritise key areas such as Artisan Development and Workplace-Based Learning Programmes. Over the past five years, South Africa has produced more than 95, 000 qualified artisans, largely through the Sector Education and Training Authorities.

Key achievements on Centres of Specialization

- ✓ The Centres of Specialisation were expanded from 43 to 53 by end of 2024/25 financial year. The invested since the launch in 2019 has increased to R257 million to upgrade infrastructure at these centres.
- ✓ The number of Trade Test Centres at TVET College also increased from 35 to 37 Trade Test Centres.
- ✓ Hairdressing was included as funded programme from 2024.
- ✓ These Centres have trained over 5000 artisans of which 1073 have been tested already 1041 passed trade test achieving 97% pass

Planned projects and strategic priorities for the period ahead.

The Centres of Specialization will be expanded to include the following strategic priorities.

- ✓ Music and performing arts at Central Johannesburg College
- ✓ Mining sector in partnership with MQA, African Rainbow Mineral and Waterberg TVET college. This will focus on mining skills
- ✓ Water utility in partnership with Umngeni-Thukela Water and Rand Water. This will assist Water Boards and Municipalities with skills needed for water utility infrastructure and fight water leaks.

Honourable Chairperson,

It is our commitment to build an inclusive, responsive, and transformative post-school education and training system.

We have commenced with prioritizing two CET colleges (Gauteng and Northern Cape) they at the procurement stage and construction should commence by the end of the financial year.

To support better coordination in our application processes, the Draft Central Application System Bill is finally on route to the Speaker of the National Assembly following Cabinet approval.

With the review of and statutory amendments in the PSET, we hope to improve the efficiency and performance of the Post-School Education and Training System.

We want to take this opportunity to congratulate Orbit TVET College Football club for its promotion to the betway PSL... We love you and we are proud of you as the sector!

Thank you