

**EDUCATION TRANSFORMATION IN SOUTH AFRICA:  
THE IMPACT OF FINANCE EQUITY REFORMS IN  
PUBLIC SCHOOLING AFTER 1998**

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## ABSTRACT

Using the lens of school finance reform, this thesis analyses the progress towards equity in public schooling in post-apartheid South Africa. It distinguishes between equality and equity and argues that that redress, positive discrimination or differential distribution must become part of a meaningful definition of equal education.

This thesis utilises recent quantitative data and empirical methodology to explicate the patterns and typology of inequality in public schooling in one province in post-apartheid South Africa, and to deepen our understanding of the construct and application of equity within that milieu. It does this by establishing a key equity indicator, per capita expenditure, for each of the approximately 1900 schools in Gauteng in 1999 and 2002, and by carrying out various school-level analyses on this data. This approach quantifies inequity and progress towards equality, and establishes a broader set of variables and correlates with which to comprehend school finance equity. This is particularly significant because data of actual school-level expenditure as an outcome of merging various databases did not previously exist for Gauteng province, nor did an understanding of the role of private income in differentiating public schooling, particularly on the basis of fees. For the first time, the actual expenditure for each school in Gauteng is established, allowing an assessment of the variability of financing in public schooling.

The disaggregated analysis illustrates that the race-based hierarchy of school finance expenditure has been replaced by a new typology of schools based on new categories of privilege and disadvantage. After eight years of post-apartheid

education, an important achievement in the public schooling sector is convergence or equalisation in state expenditure. Differential distribution, a notion of equity which includes what is socially just, has been slow to develop. Moreover, while old racial patterns of distribution have shifted, private inputs into public schooling change the picture of “sameness” to one of substantial differentiation. An emerging feature is the evidence of intra-race differentiation, illustrated by the growing spread of expenditure within former African schools. There is also empirical evidence that the emerging education system in post-apartheid South Africa has continued to favour the deracialising middle class, despite policy intentions which promote redress for the poor. Unequal education still continues, but for a different set of reasons.

At an empirical level, the research shows that while there has been significant progress towards same spending on average, specific type of schools have benefited more or less. There are policy and management explanations for this. Equity as differential distribution is yet to be achieved. At a methodological level, the study shows both the feasibility and utility of using disaggregated approaches and the ingredient method for fiscal research. At a conceptual level, the study shows the need to go beyond existing categories when exploring equal education, to look at the newly privileged and the newly disadvantaged. This contributes to our understanding of a more complex typology of public schooling in South Africa.

**Key words:** equity, inequality, school finance, per capita expenditure, Gauteng province, private inputs, school fees, ingredient method, disaggregation, education policy; learner:educator ratios

## DECLARATION

I declare that this thesis is my own unaided work. It is submitted for the degree of Doctor of Philosophy in the University of the Witwatersrand, Johannesburg. It has not been submitted before for any other degree or examination in any other university.

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Shireen Motala

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Date

**To my father  
Dr Mohamed Motala  
whose great humanity and unwavering belief in justice, truth and equality  
provided the bedrock and foundation which has guided my academic work  
and broader endeavours at all times.**

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## LIST OF ABBREVIATIONS

|        |                                                        |
|--------|--------------------------------------------------------|
| all PC | State and Private Per Capita Expenditure               |
| ANC    | African National Congress                              |
| CEM    | Council of Education Ministers                         |
| DET    | Department of Education and Training                   |
| DoE    | Department of Education                                |
| DoF    | Department of Finance                                  |
| ELRC   | Education Labour Relations Council                     |
| EMIS   | Education Management Information System                |
| EPU    | Education Policy Unit                                  |
| ERP    | Education Rights Project                               |
| FFC    | Financial and Fiscal Commission                        |
| GDE    | Gauteng Department of Education                        |
| GDP    | Gross Domestic Product                                 |
| GEAR   | Growth, Employment and Redistribution                  |
| GNU    | Government of National Unity                           |
| HDI    | Human Development Index                                |
| HOA    | House of Assembly                                      |
| HOD    | House of Delegates                                     |
| HOR    | House of Representatives                               |
| IDASA  | Institute for a Democratic Alternative in South Africa |
| IDSO   | Institutional Development and Support Officer          |
| LCR    | Learner:classroom ratio                                |
| LER    | Learner:educator ratio                                 |
| MTEF   | Medium Term Expenditure Framework                      |



|         |                                                 |
|---------|-------------------------------------------------|
| NPPC    | Non-personnel Per Capita Expenditure            |
| OLS     | Ordinary Least Squares                          |
| PC      | Per Capita Expenditure                          |
| PDM     | Post Distribution Model                         |
| PED     | Provincial Education Department                 |
| PPC     | Personnel Per Capita Expenditure                |
| Priv PC | Private Per Capita Expenditure                  |
| RDP     | Reconstruction and Development Programme        |
| REQV    | Relative Education Qualification Values         |
| RSA     | Republic of South Africa                        |
| SADTU   | South African Democratic Teachers Union         |
| SASA    | South African Schools Act                       |
| SD      | Standard Deviation                              |
| SGB     | School Governing Body                           |
| SES     | Socio-Economic Status                           |
| SFNS    | National Norms and Standards for School Funding |
| UNDP    | United Nations Development Program              |
| VSP     | Voluntary Severance Package                     |