

Education Series Volume IX:

Household and Government Expenditure on Education, 2025



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Education Series Volume IX

Household and Government Expenditure on Education, 2025

Statistics South Africa

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Abbreviations

BRICS+	Brazil, Russia, India, China, and South Africa
COVID-19	Coronavirus Disease 2019
CPI	Consumer Price Index
COICOP	Classification of individual consumption by purpose
DBE	Department of Basic Education
DHET	Department of Higher Education and Training
ECD	Early Childhood Development
EMIS	Education Management Information System
GDP	Gross Domestic Product
GFSM	Government Finance Statistics Manual
GHS	General Household Survey
ICT	Information and Communication Technology
IES	Income and Expenditure Survey
ISFAP	Ikusasa Student Financial Aid Programme
NGO	Non-Governmental Organisation
NSC	National Senior Certificate
NNSSF	National Norms and Standards for School Funding
NQF	National Qualifications Framework
NSFAS	National Student Financial Aid Scheme
OECD	Organisation for Economic Co-operation and Development
SAICA	South African Institute of Chartered Accountants
SASSA	South African Social Security Agency
SGB	School Governing Bodies
SGB	Social Grants Beneficiaries
Stats SA	Statistics South Africa
TVET	Technical and Vocational Education and Training
UNESCO	United Nations Educational Scientific and Cultural Organization
EC	Eastern Cape
FS	Free State
GP	Gauteng
KZN	KwaZulu-Natal
LP	Limpopo
MP	Mpumalanga
NC	Northern Cape
NW	North West
RSA	Republic of South Africa
WC	Western Cape

Concepts and definitions

Term	Definition
Annual inflation rate / inflation rate	An annual inflation rate is a change in an index of a relevant month of the current year compared with an index of the same month in the previous year expressed as a percentage. An inflation rate is an annual change in the CPI for all items.
Annual percentage change	An annual percentage change is the change in an index of a relevant month of the current year compared with an index of the same month in the previous year expressed as a percentage.
Average annual inflation rate	An average annual inflation rate is the change in an average index of one year compared with an average index of the previous year expressed as a percentage.
Average annual percentage change	An average annual percentage change is the change in an average index of one year compared with an average index of the previous year expressed as a percentage.
Budget expenditure	Encompasses every form of public spending, from departmental operations to debt servicing, funded through national revenues (National Treasury).
Consumer price index (CPI)	An index that measures the price of a fixed basket of consumer goods and services. Consumer Price Index is calculated using a basket of goods and services grouped into major categories that reflect typical household consumption patterns. South Africa follows these broad Classification of Individual Consumption According to Purpose (COICOP) divisions: food and non-alcoholic beverages; alcoholic beverages and tobacco; clothing and footwear; housing and utilities; furnishings, household equipment and routine maintenance; health; transport recreation, sport and culture; information and communication; education services; restaurants and accommodation services; insurance and financial services; personal care and miscellaneous services.
Consumption expenditure	Expenditure on goods and services acquired, and privately used by household members, including imputed values for items produced and consumed by the household itself.
CPI for administered prices	An administered price refers to the price of a product or service set directly or significantly influenced by the government, either directly or through its agencies, without relying on market forces. This includes prices charged by the private sector but controlled by the government. Products and services included are water supply, refuse collection, sewage removal, assessment rates, electricity, gas in cylinders, paraffin, prescription medicine, dispensing fees, diesel, petrol, toll fees, motor vehicle licence and registration fees, train fares, local bus fares, primary education (public), secondary education (public), tertiary education (public) and university boarding fees.
Education services	Includes school and university tuition fees; toll facilities; university boarding fees; crèche fees and after school centres.
Gross Domestic Product (GDP)	Total value of goods and services produced within the geographic boundaries of a country for a specified period of time.
Headline inflation (includes all items)	Persistent change in the general level of prices Note: Two sets of measures of inflation are most often used, namely monthly inflation and annual inflation. Monthly inflation is defined as the percentage change in an index on a month-by-month basis whereas annual inflation is calculated as the percentage change in an index over the last twelve months.
Head of household/ Household head	Person recognised as such by the household. Usually the main decision-maker, or the person who owns or rents the dwelling, or the person who is the main breadwinner. The head can be either male or female.
Household	A group of people who live together at least four nights a week, eat together and share resources, or a single person who lives alone.
Inflation	A persistent change in the general level of prices. In finance, inflation is a continuous decline in the value of money, which is reflected in

	the ever-increasing prices of goods and services. Two measures of inflation are most often used, namely monthly inflation and annual inflation.
Lower bound poverty line	An austere monetary threshold below which individuals are choosing between sufficient food to reach the minimum daily energy requirement and essential non-food items (such as clothing, housing, transportation, etc) due to limited resources. Calculation includes the cost of basic food (that is the food poverty line) and the average non-food spending of households whose total expenditure is near the food poverty line.
Post secondary non-tertiary education (Short cycle)	Individuals who have obtained NTC4/N4/occupational certificate NQF level 5 or NTC5/N5/occupational certificate NQF level 5 or NTC6/N6/occupational certificate NQF level 5 or higher/national/advanced certificate with grade 12 or Diploma with grade 12/standard 10/occupational certificate NQF level 6.
Poor	Population or households living below a designated poverty line.
Quintile	Is a statistical term for dividing a ranked dataset into five equal parts, with each part (or "quintile") representing 20% of the data, used to understand distribution, especially for things like income or population data, showing where different segments fall, from the lowest 20% (first quintile) to the highest 20% (fifth quintile).
National quintile for public schools	One of five groups into which all South African public ordinary schools are placed, and where the grouping is according to the poverty level of the community around the school. Quintile one is the poorest quintile, quintile two is the second-poorest quintile, and so on. Each national quintile encompasses one-fifth of the learners enrolled in public ordinary schools.
Non-poor	Population or households living above a designated poverty line.

Foreword

The cost of education plays a critical role in determining both the quantity and level of education individuals are able to pursue. These costs encompass all expenses associated with the provision and receipt of educational services and can be categorised into several key components. First, tuition fees represent the primary cost for accessing educational institutions. In addition, learners incur expenses for learning materials, uniforms, and equipment, which are particularly relevant in basic education. These include compulsory items such as school uniforms, sports kits, and subject-specific tools like calculators, laptops, and art supplies. Transport costs also form a significant component, covering daily travel to and from school as well as expenses for educational excursions or sporting events. For students attending institutions far from home, accommodation and living expenses become critical, including housing, food, utilities, and personal care. Finally, administrative and ancillary fees such as registration charges, examination fees, technology levies, and other institutional costs not included in tuition add to the overall financial burden.

In the 2024/25 financial year, South Africa allocated approximately R491,4 billion to the education sector, reaffirming its strategic role in national development. This allocation included R32,6 billion for basic education, R321,7 billion for provincial education, and R137,1 billion for higher education. Collectively, this investment accounted for about 21% of the national budget nearly double the Organisation for Economic Co-operation and Development (OECD) average of 11–12% and represented 6,7% of the country's Gross Domestic Product (GDP), which also exceeds the OECD benchmark of 5% (2022) and the BRICS and additional members' average of 4,4%. These figures position education as one of the largest expenditure categories in the national budget, signalling a strong governmental commitment to improving access, equity, and quality across all levels of the education system. However, in the 2024/25 financial year, basic education absorbed approximately 72,1% of the total education budget. This allocation underscores government's commitment to sustaining access to foundational learning. Notably, allocations to early childhood development (ECD) have nearly tripled, rising from R3,7 billion in 2015/16 to R10,6 billion.

Household education expenditure patterns further reveal a persistent imbalance in education-related costs. According to data from the 2022/23 Income and Expenditure Survey (IES), total household consumption on education services amounted to approximately R43 billion. Of this total, spending on ECD, primary, and secondary education fees accounted for R27,5 billion, while tertiary education fees absorbed a comparatively smaller share of R12,3 billion. This distribution underscores the dual challenge of affordability and access at the tertiary level, particularly for households with limited financial capacity. Beyond fees, households incurred substantial additional costs, with expenditure on uniforms, stationery, textbooks, sport, and other education-related items estimated at R27,1 billion. Transport-related costs alone amounted to a further R11,3 billion, highlighting the significant indirect expenses associated with education participation.

The report reveals significant variations in household education expenditure, indicating that priorities differ across provinces, population groups, by the gender of the household head and household poverty status. These disparities are influenced by factors such as income levels, school requirements, and access to extracurricular opportunities. For example, the relatively low proportion of spending on school uniforms in Western Cape may suggest a greater allocation of resources toward enrichment activities, reflecting higher discretionary income or broader availability of such programmes. In contrast, the limited investment in sports-related expenses in Free State and North West could signal affordability constraints or a lack of organised sporting opportunities, underscoring persistent inequalities in both financial capacity and access to non-academic development.

In both 2015 and 2024, a substantial share of individuals aged 5–24 years who were not attending educational institutions reported satisfaction with their current level of education or participation in employment as the primary reason for non-attendance, amounting to nearly 600 000 individuals in 2015 and approximately 700 000 in 2024. Despite this, financial constraints remain a dominant barrier to participation, with close to 1,5 million individuals in this age group each year citing an inability to afford education fees. Provincial patterns point to persistent and in some cases widening inequalities. In Gauteng, the proportion of individuals reporting financial reasons increased from 37,6% in 2015 to 42% in 2024, while in Mpumalanga it rose from 33,9% to 39%. These trends suggest that, despite substantial public investment in education, affordability challenges continue to constrain access, particularly in certain provinces.

Inflation erodes household purchasing power, driving up tuition and institutional fees as schools adjust to rising operational costs. This places greater financial strain on families and limits access for disadvantaged groups (Stats SA, 2015). In South Africa, education inflation typically exceeds headline inflation, except during economic volatility, with the 2016 decline reflecting sensitivity to tertiary costs. Beyond tuition, inflation raises prices for textbooks and supplies, compounding educational expenses and deepening inequality for resource-constrained students.



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Statistician-General

Chapter 1: Overview of Education Expenditure

1.1 Introduction

The cost of education significantly influences the quantity and level of education individuals could pursue. According to Human Capital Theory (Becker, 1964), education is considered an investment aimed at enhancing productivity and future earnings. However, when the financial burden comprising tuition fees, learning materials, and opportunity costs becomes substantial, the perceived return on this investment diminishes, particularly for low-income households. This often results in reduced enrolment, early withdrawal, or preference for shorter and less costly programs. Conversely, when education is subsidised or publicly funded, financial barriers are minimised, encouraging greater participation and completion. On the other hand, although expanding access to education enables broader participation, the marginal returns on even minimal levels of investment may progressively decline as the proportion of individuals attaining education increases. Thus, cost not only shapes individual educational choices but also perpetuates social inequality, as resource-constrained families face limited opportunities to accumulate human capital, ultimately affecting economic growth and intergenerational mobility. Financial investment undoubtedly plays a critical role in expanding access, yet outcomes are equally shaped by non-economic variables. Parental education levels often determine the extent of academic support available at home, while community characteristics such as social capital and prevailing norms can either reinforce or undermine educational aspirations. Furthermore, the presence of a culture of learning within households and communities fosters motivation, persistence, and value attribution to education, which monetary inputs alone cannot guarantee. These interrelated factors suggest that policy interventions aimed solely at reducing costs may yield diminishing returns unless complemented by strategies that strengthen socio-cultural foundations for learning.

In 2016, among South African youth aged 18–24 who were not enrolled in any educational institution, 20% reported that they had completed or were satisfied with their level of education, while the majority (51%) cited a lack of funds to pay fees (Stats SA, 2019). By 2024, financial constraints remained the leading reason among out-of-school youth in the same age group, with 31% indicating they could not afford the costs.

1.2 Definition and components of education expenditure

Education expenditure refer to the expenses associated with both the provision and receipt of educational services. These costs can be broadly categorised into several components:

- **Tuition fees:** these are the direct charges imposed by educational institutions for instruction and academic services. In South Africa, tuition fees vary significantly across public and private institutions, and between basic and higher education levels.
- **Learning materials:** this includes the cost of textbooks, stationery, digital resources, and other instructional materials required for effective learning.
- **Uniforms and equipment:** these are particularly relevant in basic education, these are compulsory items such as school uniforms, sports kits, and subject-specific tools (e.g., calculators, laptops, art supplies).
- **Transport costs:** many learners and students incur daily travel expenses to and from school or university, especially in rural or underserved areas where educational institutions are not easily accessible.
- **Excursion or outing costs,** for sports or educational purposes.
- **Accommodation and living expenses:** for students attending institutions far from home, especially in higher education, costs include housing, food, utilities, and personal care.
- **Administrative and ancillary fees:** these may include registration fees, examination fees, technology levies, and other institutional charges not covered under tuition.
- **Opportunity costs:** particularly in higher education, students may forego income by studying full-time instead of entering the workforce, representing an indirect but significant cost.

1.3 Cost by institution type and education phase

The South African education system is structured into distinct levels: pre-primary education or early childhood development (ECD) catering for children aged 0–4, primary education covering for children aged 5 to 13 (Grades R–7), secondary education covering Grades 8–12 and tertiary education which includes universities, Technical and Vocational Education and Training (TVET) colleges, and private higher education institutions, offering undergraduate, postgraduate, and professional qualifications. The cost of education varies significantly by level and institution type.

Private and public educational institutions have distinct funding models, cost structures, and educational offerings. Public institutions are funded and operated by the government and include public schools and universities. Public institutions generally charge lower tuition fees due to government subsidies and are designed to provide accessible education to the broader population. Public institutions face challenges such as overcrowding, limited resources, and infrastructure constraints. Private institutions are predominantly funded through tuition fees, private donations, and other non-governmental sources, although some could receive small government subsidies. Private schools and universities often charge significantly higher fees but may offer enhanced facilities, smaller class sizes, and specialised programmes. While private institutions may provide high-quality education, their cost can be exorbitant for many families, reinforcing socioeconomic disparities in educational access.

According to the ECD Census 2021 in South Africa, there were approximately 42,420 ECD operating across the country. A substantial proportion of these centres were privately operated, with 69% of ECD facilities indicating that fees constituted their primary source of funding, while government subsidies accounted for 27%. According to the report, ECD programmes subsidised by Department of Social Development (DSD) charge significantly lower fees (average of R208) than ECD programmes that are not subsidised (average of R649) (Department of Basic Education (DBE), 2022). Registered ECD centres qualify for a small subsidy recently raised from R17 to R24 per child per day¹ in 2025. However, private ECD centres charge as high as R 8 000 per month in urban areas (GHS 2024).

The cheapest schools are public schools that are typically those designated as “no-fee schools”, which are fully subsidised by the government and do not charge any tuition fees to learners. These schools are located in economically disadvantaged communities and are identified as Quintiles 1 or 2 schools based on national poverty quintile rankings. While these schools do not charge tuition, parents still incur costs for uniforms, stationery, or may have to make voluntary contributions.

1.4 Budget constraints for educational institutions

Inflation not only affects households but also places significant pressure on the operational budgets of educational institutions. As the cost of utilities, materials, salaries, and maintenance increases, institutions particularly those reliant on fixed government subsidies may struggle to maintain service levels. This financial strain can lead to reductions in academic programmes, support services, infrastructure investment, and staffing levels (DBE, 2025). This might lead to higher fees being charged to appoint additional staff, or to pay for other necessities. In public schools, this may manifest as overcrowded classrooms, outdated learning materials, and limited access to extracurricular activities. In higher education, universities may be forced to delay capital projects, reduce research funding, or limit student support services, thereby affecting the overall quality of education and student outcomes.

In higher education institutions, the revenue cash flows from operating activities increased by R6 613 million from R100 844 million in 2022 to R107 457 million in 2023. This increase was mainly due to an increase in mainly tuition fees (Stats SA 2024a).

The R9,172 billion in capital expenditure by higher education institutions in 2023 is considered a significant investment. This figure represents an all-time high for the sector and accounts for 4% of total public-sector capital expenditure, which amounted to R233 billion in 2023. While other sectors such as public corporations and municipalities spent more in absolute terms, the increase in spending by universities marks a notable shift, especially following years of constrained budgets and deferred infrastructure projects. This level of investment reflects a strategic push to improve infrastructure, expand capacity, and enhance the quality of education across institutions like the University of Mpumalanga, Sefako Makgatho Health Sciences University, University of Limpopo, and the new Sol Plaatje University in Kimberley.

¹ <https://www.education.gov.za/ArchivedDocuments/ArchivedArticles/2025BudgetVote.aspx>

1.5 Purpose of the report

The primary aim of this report is to analyse the financial expenditures incurred by households in relation to education across various levels, namely ECD, primary, secondary, and tertiary education. It seeks to provide a comprehensive overview of the various costs associated with education and how these expenses impact family budgets and access to quality education. The report will outline the main components of education costs and will compare education costs across different regions. The report will also highlight government spending on education services and budget allocations within the sector.

The report utilise a mixed-methods approach, combining quantitative data analysis with qualitative insights. Data sources include:

- Income and Expenditure Survey 2022/23
- General Household Survey
- Education inflation data
- National education budgets and expenditure data.

1.6 Structure of the report

The report is structured into five chapters. Chapter one provides a comprehensive overview of expenditure on education in South Africa. Chapter two examines the education budget and expenditure while chapter three discusses the rising costs of education and education affordability. Chapter four provides analysis of households' expenditure on education. Chapter five presents a summary of key findings and offers a comparative analysis of government education expenditure across selected countries.

Chapter 2: Budget and Expenditure on Education

2.1 Introduction

Public expenditure on education plays a pivotal role in enhancing a reserve of human capital by fostering individual capabilities and promoting broader social development. Consequently, the allocation of financial resources to the education sector constitutes a critical policy decision, as it exerts significant influence on long-term economic growth trajectories and the distribution of social opportunities. Nevertheless, in many national contexts, public funding is complemented by substantial contributions from private households and the corporate sector, underscoring the multi-stakeholder nature of educational financing.

2.2 Education budget allocations

Education in South Africa is financed through a mix of public funds, private contributions, and household payments, with the government playing the dominant role. Basic education is heavily government-funded, with household contributions mainly in fee-paying schools. Early childhood education and higher education rely more on tuition fees, making affordability a major issue. Private sector and not for non-governmental organisation (NGO) play a small but strategic role, especially in bursaries and infrastructure development.

The National Treasury distributes funds to provinces through the equitable share formula, ensuring a fair allocation based on population size and specific needs. Each province then allocates resources to its education department, which finances teacher salaries, school infrastructure, and operational expenses for public schools. The equitable share formula serves as the framework for distributing nationally collected revenue to provincial governments, including allocations for education. Its primary aim is to promote fairness and redress historical disparities by allocating resources according to need, rather than distributing equal amounts across provinces.

The equitable share formula comprises six components, each weighted according to its significance. The education component, accounting for 48%, is based on the size of the school-age population (ages 5–17) and enrolment in public ordinary schools (Grade R–12). As education is the largest provincial responsibility, this is the most substantial allocation. The health component, weighted at 27%, reflects each province's risk profile and healthcare caseload, including clinic visits and hospital patient-days. The remaining components include the basic share (16%), institutional support (5%), poverty (3%), and economic activity (1%) (National Treasury, 2024). On average, provinces spend about 40–48% of their budgets on education.

The National Norms and Standards for School Funding² (NNSF), established under the South African Schools Act, provide a framework for how provinces allocate education funding to individual public schools. This framework is implemented through the equitable share formula, ensuring that resources are distributed in a manner that promotes equity and addresses historical disparities. Under the NNSF, schools are classified into five quintiles (Q1 to Q5) according to the poverty levels of their surrounding communities. Quintile 1 schools, serving the poorest communities, receive the highest per-learner funding, while Quintile 5 schools, located in wealthier areas, receive the least. This tiered approach ensures that schools in disadvantaged areas receive greater financial support to help level the playing field.

Table 2.1: National table of targets for the school allocation, 2015 and 2025

	2015	2025
NQ1–NQ3	R1 116	R1 754
NQ4	R559	R879
NQ5	R193	R301
No fee threshold	R1 116	R1 754
Small schools: National fixed amount	R25 843	R40 662

Source: DBE Government gazette No. 38397, 2015 and No. 51962, 2025

Each year, the DBE announces school funding allocations through a Government Notice published in the Government Gazette. Schools classified under Quintiles 1 to 3 are generally designated as no-fee institutions, ensuring that learners from economically disadvantaged communities can access education without financial constraints.

² South African Schools Act, 1996 (Act No 84 of 1996). National Norms and Standards for School Funding

The no-fee threshold marks the point at which schools are prohibited from charging tuition fees and instead receive full operational funding from the state. This threshold is reviewed annually, based on national poverty statistics and budgetary provisions. Schools that fall above the threshold, typically those in Quintiles 4 and 5 are permitted to charge fees but must adhere to strict regulations that promote affordability and transparency. As shown in Table 2.1, the no-fee threshold was set at R1 116 per learner in 2015 and increased to R1 754 in 2025. Each year, provincial education departments publish updated lists of no-fee schools³. For fee-paying public schools, the government provides regulatory oversight but does not impose a standardised national fee structure. Instead, individual schools determine their own fees, which are publicly disclosed to ensure transparency.

Primary and secondary education in South Africa is overseen by the DBE and the Provincial Departments of Education (PED). In contrast, the Department of Higher Education and Training (DHET) is responsible for managing universities and TVET colleges. Universities depend on three main sources of funding: government subsidies, tuition fees, which have seen substantial increases, and non-governmental income streams such as donations and research grants. Conditional grants, such as the Education Infrastructure Grant and the National School Nutrition Programme, are designed to bolster provincial budgets by targeting specific developmental priorities. The National Student Financial Aid Scheme (NSFAS) provides financial support to economically disadvantaged students enrolled at universities and TVET colleges. Eligibility for NSFAS is determined through a means test.

School Governing Bodies (SGBs) frequently supplement their budgets through school fees and donations. In fee-paying public schools, school fees represent the primary source of additional income. These fees are determined by the SGB and formally approved by parents during annual meetings. The fee amounts vary significantly, reflecting the socioeconomic profile of each school community, Quintile 4 and 5 schools generally charge higher fees. Revenue from fees is typically used to support expenses such as facility maintenance, hiring additional educators, enhancing security, purchasing learning materials, and running extracurricular activities. The top Quintile 5 public schools in South Africa ranked by their annual school fees charged annual fees from around R74 000⁴ to R83 000⁵ in 2025. Most fee-paying public schools revise their fees once a year, usually during the fourth term (October–December), in preparation for the following academic year. School fees have consistently increased above the national inflation rate. Increases in teacher salaries, municipal rates, maintenance, and technology upgrades contribute to fee hikes. Parents who cannot afford to pay school fees could apply to the SGB for conditional, partial or full exemption. As more parents apply for fee exemptions, schools compensate by raising fees for those who can pay.

To further bolster resources, SGBs actively pursue donations from parents, alumni, local businesses, and philanthropic organisations. Contributions may be financial or in-kind, including items like books, computers, or infrastructure improvements. Many schools establish dedicated fundraising committees or organise community events such as fun runs, auctions, or cultural festivals, to encourage broader support and engagement. Private companies and foundations provide bursaries, scholarships, and infrastructure support. Corporate social investment often targets teacher training, information and communication technology (ICT) resources, and school facilities.

There were in total 24 850 schools in South Africa in 2024⁶. Private schools account for about 9,9% of all schools, with the most expensive being private boarding schools charging up to R400 000⁷ annually, while elite day schools have fees exceeding R200 000⁸ per year. By contrast, Curro schools operate within a mid-fee private segment, with annual fees typically ranging between R75 000 and R120 000 for high school education and rising to around R170 000–R200 000 where boarding is offered well below the fee levels observed at elite private institutions⁹.

Beyond government support, students pursuing higher education often rely on a range of alternative funding options. These include bank loans tailored for education expenses, university-based financial aid such as

³ <https://www.education.gov.za/Informationfor/ParentsandGuardians/SchoolFees/NoFeeSchoolsList.aspx>

⁴ <https://www.greyhighschool.com/our-school/fees/>

⁵ <https://rondebosch.com/high/admissions/fees/>

⁶ <https://www.education.gov.za/LinkClick.aspx?fileticket=RFeMphVi3kQ%3d&tabid=462&portalid=0&mid=1327>

⁷ <https://hiltoncollege.com/enrol/fees/>

⁸ <https://www.kearsney.com/college/wp-content/uploads/2024/02/KearsneyFees2024.pdf>

⁹ <https://www.curro.co.za/schools/curro-hazeldean-high-school/downloads/>

need-based grants and merit scholarships, and external bursaries provided by private companies and professional organisations. Notable corporate bursaries are offered by companies such as Shoprite, Sasol, Allan Gray, and Investec. Professional bodies also contribute, with examples including the South African Institute of Chartered Accountants (SAICA) Thuthuka Bursary and support from the Health Professions Council of South Africa. These bursaries typically provide cover for expenses on tuition, books, meals, residence fees and accommodation.

2.3 Basic and higher education budget expenditures

Budget allocations for education are divided between basic and higher education. While the majority of funding is directed toward the basic education sector, this budget is intended to support all national programmes and systems that underpin general school education. However, the budget for provincial education is allocated within the broader provincial budget framework. For the purpose of this publication, National Treasury data on Estimates of National Expenditures were used. Although Stats SA publishes annually financial statistical releases of the different levels of general government by classifying the transactions of consolidated general government economically and functionally according to Government Finance Statistics Manual (GFSM) 2014, the data could not be used due to lack of disaggregation for the various items described in the report (Stats SA 2025). Moreover, there are some variations in the total expenditure values due to the different methods used to derive expenditure data.

Table 2.2: Annual national budget expenditure on basic education for South Africa for the past ten years since the 2015/16 financial year

Expenditure in R million	Administration	Curriculum Policy, Support and Monitoring	Teachers, Education Human Resources and Institutional Development	Planning, Information and Assessment	Educational Enrichment Services	Total basic education
2015/16	360,3	1 826,9	1 163,4	11 794,0	5 943,8	21 088,4
2016/17	390,3	1 891,2	1 160,0	11 843,7	6 341,6	21 626,8
2017/18	426,6	1 783,0	1 252,1	12 232,7	6 730,0	22 424,3
2018/19	472,1	1 854,3	1 313,0	12 938,3	7 109,0	23 686,8
2019/20	518,1	1 996,1	1 369,1	12 670,2	7 511,1	24 064,7
2020/21	511,0	1 844,0	1 415,1	11 404,2	7 919,7	23 094,0
2021/22	520,2	3 363,8	1 445,9	14 493,5	8 433,3	28 256,6
2022/23	564,2	3 271,0	1 504,1	15 432,8	8 821,1	29 593,2
2023/24	590,1	3 524,0	1 513,9	14 830,1	9 570,6	30 028,6
2024/25	616,1	4 106,1	1 438,7	16 345,4	10 129,1	32 635,4
Percentages						
2015/16	1,7	8,7	5,5	55,9	28,2	100,0
2016/17	1,8	8,7	5,4	54,8	29,3	100,0
2017/18	1,9	8,0	5,6	54,6	30,0	100,0
2018/19	2,0	7,8	5,5	54,6	30,0	100,0
2019/20	2,2	8,3	5,7	52,7	31,2	100,0
2020/21	2,2	8,0	6,1	49,4	34,3	100,0
2021/22	1,8	11,9	5,1	51,3	29,8	100,0
2022/23	1,9	11,1	5,1	52,1	29,8	100,0
2023/24	2,0	11,7	5,0	49,4	31,9	100,0
2024/25	1,9	12,6	4,4	50,1	31,0	100,0

Source: Estimates of National Expenditures, National Treasury 2015-2025

Table 2.2 above, outlines the budget expenditure breakdown for the National Department of Basic Education. Across all years, the largest share of spending is allocated to planning, information, and assessment, which includes the design and implementation of assessment systems such as student testing and school evaluations. The National Senior Certificate (NSC) Examinations fall under this category. In 2015/16, approximately 56% of total expenditure was directed to these activities, declining to about 50% in 2024/25. Despite this decrease, it remains the largest expenditure item, with nearly R16 345,4 million allocated in 2024/25. This category also funds the Education Management Information System (EMIS), which supports data collection for planning and resource allocation. The second-largest expenditure is on educational enrichment services, accounting for roughly 30% of the budget in most years. These programs extend beyond the core curriculum to enhance learning through arts, sports, and cultural activities. They also support special programs for gifted learners, those requiring additional assistance, and extracurricular clubs and competitions.

Table 2.3: Annual provincial budget expenditure on basic education for South Africa for the past ten years since the 2015/16 financial year

Expenditure in R million	Administration	Public Ordinary School Education	Independent School Subsidies	Public Special School Education	Early Childhood Development	Infrastructure Development	Examination and Education Related Services	Total payments and estimates
2015/16	13 082,2	157 922,8	1 126,0	6 312,5	3 659,5	12 299,9	5 913,3	200 316,3
2016/17	14 126,5	167 857,1	1 175,7	6 797,9	3 867,3	13 391,6	5 975,7	213 192,0
2017/18	14 786,3	180 517,5	1 288,7	7 536,5	4 223,6	12 854,9	6 435,4	227 642,9
2018/19	15 822,7	194 207,2	1 367,5	8 326,1	4 507,4	12 143,3	6 497,6	242 871,8
2019/20	16 530,4	206 537,4	1 489,8	9 334,9	4 870,9	12 318,4	6 944,1	258 025,8
2020/21	16 009,0	213 473,7	1 687,0	9 876,2	5 103,1	11 003,5	12 598,8	269 751,3
2021/22	17 362,7	218 826,0	1 644,4	10 672,9	7 603,3	13 106,8	15 041,1	284 257,2
2022/23	16 899,7	213 125,3	1 836,3	11 075,2	8 586,2	13 787,8	14 364,1	279 674,6
2023/24	17 959,9	239 942,6	1 840,4	11 836,3	9 755,5	15 302,9	15 287,0	311 924,6
2024/25	18 608,8	253 494,0	1 753,4	12 894,0	10 633,8	16 068,4	8 242,2	321 694,7
Percentages								
2015/16	6,5	78,8	0,6	3,2	1,8	6,1	3,0	100,0
2016/17	6,6	78,7	0,6	3,2	1,8	6,3	2,8	100,0
2017/18	6,5	79,3	0,6	3,3	1,9	5,6	2,8	100,0
2018/19	6,5	80,0	0,6	3,4	1,9	5,0	2,7	100,0
2019/20	6,4	80,0	0,6	3,6	1,9	4,8	2,7	100,0
2020/21	5,9	79,1	0,6	3,7	1,9	4,1	4,7	100,0
2021/22	6,1	77,0	0,6	3,8	2,7	4,6	5,3	100,0
2022/23	6,0	76,2	0,7	4,0	3,1	4,9	5,1	100,0
2023/24	5,8	76,9	0,6	3,8	3,1	4,9	4,9	100,0
2024/25	5,8	78,8	0,5	4,0	3,3	5,0	2,6	100,0

Source: Estimates of Provincial Expenditures, National Treasury 2015-2025

Table 2.3 above, outlines the budget expenditure breakdown for the Provincial Departments of Education. As previously noted, the largest portion of provincial education expenditure is allocated to the funding of public schools. In 2024/25, approximately R253,4 billion was spent on public ordinary school education, representing an increase of about 60% from R157,9 billion in 2015/16. Over the years, subsidies to independent schools have consistently represented less than one per cent of total expenditure. In contrast, spending on public special school education has fluctuated between 3,2% in 2015/16 and 4% in 2024/25. Notably, the allocations to ECD have nearly tripled, rising from R3,7 billion in 2015/16 to R10,6 billion in 2024/25. In the 2024/25 financial year, provincial education expenditure totalled R321,6 billion, reflecting an increase of nearly R121 billion compared to 2015/16.

Table 2.4: Annual budget expenditure on higher education for South Africa for the past ten years since the 2015/16 financial year

Expenditure in R million	Administration	Planning, Policy and Strategy	University Education	Technical and Vocational Education and Training	Skills Development	Community Education and Training	Sector education and training authorities	National Skills Fund	Total Higher Education
2015/16	366,1	58,3	32 892,0	6 843,0	206,5	1 563,5	12 640,7	3 159,3	57 729,4
2016/17	372,7	71,6	39 532,5	6 960,2	181,4	2 069,8	12 370,5	3 091,7	64 650,4
2017/18	400,4	68,3	41 931,7	7 460,2	249,4	2 197,7	12 616,4	3 154,1	68 078,2
2018/19	445,9	84,3	59 254,0	10 710,2	268,8	2 360,8	13 849,7	3 462,4	90 436,2
2019/20	410,2	180,2	73 358,1	12 570,9	278,5	2 061,3	14 861,0	3 715,3	107 435,6
2020/21	397,6	185,7	78 316,1	12 557,2	279,7	2 227,0	8 139,7	2 034,9	104 137,9
2021/22	449,4	2 208,8	80 159,1	11 937,5	429,5	2 338,3	15 146,2	3 786,6	116 455,3
2022/23	492,0	4 695,9	88 839,9	12 525,2	407,0	2 577,7	16 990,5	4 247,6	130 775,8
2023/24	467,3	1 479,2	90 093,2	12 556,2	294,8	2 852,5	18 170,4	4 542,6	130 456,1
2024/25	660,7	3 783,5	91 691,6	13 165,6	335,6	2 936,6	19 594,6	4 898,7	137 066,8
Percentages									
2015/16	0,6	0,1	57,0	11,9	0,4	2,7	21,9	5,5	100,0
2016/17	0,6	0,1	61,1	10,8	0,3	3,2	19,1	4,8	100,0
2017/18	0,6	0,1	61,6	11,0	0,4	3,2	18,5	4,6	100,0
2018/19	0,5	0,1	65,5	11,8	0,3	2,6	15,3	3,8	100,0
2019/20	0,4	0,2	68,3	11,7	0,3	1,9	13,8	3,5	100,0
2020/21	0,4	0,2	75,2	12,1	0,3	2,1	7,8	2,0	100,0
2021/22	0,4	1,9	68,8	10,3	0,4	2,0	13,0	3,3	100,0
2022/23	0,4	3,6	67,9	9,6	0,3	2,0	13,0	3,2	100,0
2023/24	0,4	1,1	69,1	9,6	0,2	2,2	13,9	3,5	100,0
2024/25	0,5	2,8	66,9	9,6	0,2	2,1	14,3	3,6	100,0

Source: Estimates of National Expenditures, National Treasury 2015-2025

Table 2.4 above, outlines the budget expenditure breakdown for higher education. Higher education expenditure increased significantly over the decade reflected in the table, rising by R79,3 billion to reach R137,1 billion in 2024/25. The largest portion of this spending was allocated to university education, which nearly tripled from R32,9 billion in 2015/16 to R91,7 billion in 2024/25. This represents approximately 57% of total expenditure in 2015/16 and about 67% in 2024/25. Notably, there was a sharp increase of 75,2% in university education spending during the COVID-19 period (2020/21). This is because universities had to rapidly transition from face-to-face teaching to online platforms. This required investment in digital infrastructure, learning management systems, and cybersecurity measures. Institutions also funded training

for academics to become digitally literate and adapt to remote teaching methods. Many students lacked devices and internet access. Government and universities provided laptops, tablets, and data packages to ensure continuity of learning.

2.4 Annual education budget expenditures

Final total consumption expenditure by households is a key component of the GDP, particularly when GDP is measured using the expenditure approach. It refers to the total value of all goods and services purchased and consumed by households during a specific period, typically a year or a quarter. This includes spending on: food and beverages, housing (rent, utilities), health care, education, transportation, clothing recreation and culture, communication services and other personal services. In South Africa, household consumption has historically been a major driver of economic activity, accounting for over 63,6% of GDP in 2018 (Stats SA, 2004c). This makes it the most significant contributor to the country's economy.

Among the main categories of household expenditure, transport, housing and utilities, as well as food and non-alcoholic beverages, ranked as the highest areas of spending.

Table 2.5 Annual education budget expenditure compared to total budget expenditure for the past ten years since the 2015/16 financial year

Expenditure in R million	Total budget expenditure			GDP at current prices		
	Total government basic education expenditure	Total government education expenditure	Total consolidated government budget expenditure	Final consumption expenditure by households (total)	Final consumption expenditure on education by households	Expenditure on GDP (total)
2015/16	221 404,7	279 134,1	1 366 327,1	2 815 210,4	88 523,6	4 420 792,6
2016/17	234 818,8	299 469,2	1 442 577,2	3 011 897,0	95 541,3	4 759 554,6
2017/18	250 067,2	318 145,4	1 540 935,3	3 199 715,2	101 855,1	5 078 190,0
2018/19	266 558,5	356 994,8	1 642 520,7	3 430 761,2	115 056,6	5 363 190,5
2019/20	282 090,5	389 526,1	1 807 115,6	3 605 356,0	125 806,4	5 625 206,5
2020/21	292 845,3	396 983,2	1 965 082,5	3 484 621,6	131 892,3	5 562 760,6
2021/22	312 513,9	428 969,1	2 047 339,7	3 837 315,4	140 070,7	6 206 842,1
2022/23	309 267,8	440 043,6	2 145 424,8	4 227 984,2	148 956,5	6 666 581,0
2023/24	341 953,2	472 409,4	2 259 547,4	4 517 795,3	162 176,4	7 009 038,1
2024/25	354 330,1	491 396,9	2 397 771,2	4 752 669,8	175 495,1	7 340 373,3

Source: Estimates of National Expenditures, National Treasury 2015-2025; Annual Expenditure on GDP, 2015-2025 Statistics South Africa

Table 2.5 above, presents the breakdown of total budget expenditure for basic and overall education in comparison to the country's consolidated budget expenditure. All categories reflect strong upward trends over the period. Notably, total education expenditure recorded the highest percentage growth (76%) during the decade, primarily driven by the rising costs of higher education. In contrast, the consolidated budget expenditure experienced the largest absolute increase, exceeding 1 million. In 2024/25 total government expenditure on basic education was R354,3 billion whereas total government expenditure on education was R491,4 billion.

The table also illustrates the breakdown of household final consumption expenditure on GDP, comparing it with household expenditure on education and total expenditure on GDP. Over the decade, household final consumption expenditure grew by approximately 69%, whereas household spending on education increased by about 98%. In 2024/25 final consumption expenditure on education by households was R175,5 billion. In the 2015/16 financial year, government spending on education was roughly three times higher than household expenditure. By 2024/25, this ratio remained stable, largely due to a substantial increase in private sector contributions.

Table 2.6: Percentage of annual education budget expenditure as a percentage of total budget expenditure for the past ten years since the 2015/16 financial year

Percent	Basic education budget expenditure as a share of the total education budget expenditure	Total education budget expenditure as a share of the total budget expenditure	Consumption expenditure on GDP by households on education as a percentage of total households expenditure	Total government education expenditure as a percentage of GDP
2015/16	79,3	20,4	3,1	6,3
2016/17	78,4	20,8	3,2	6,3
2017/18	78,6	20,6	3,2	6,3
2018/19	74,7	21,7	3,4	6,7
2019/20	72,4	21,6	3,5	6,9
2020/21	73,8	20,2	3,8	7,1
2021/22	72,9	21,0	3,7	6,9
2022/23	70,3	20,5	3,5	6,6
2023/24	72,4	20,9	3,6	6,7
2024/25	72,1	20,5	3,7	6,7

Source: Estimates of National Expenditures, National Treasury 2015-2025; Annual Expenditure on GDP, 2015-2025 Statistics South Africa

Table 2.6 above, presents the percentage of annual education budget expenditure as a percentage of total budget expenditure for the past ten years since the 2015/16 financial year. The basic education budget expenditure as a share of the total education budget expenditure declined from 79,3% in 2015/16 to 72,1% in 2024/25. The basic education expenditure is mostly driven by provinces which dominate education spending because they pay teachers and run schools, while the national level focuses on policy, oversight, and post-school education. The table above also presents the education budget expenditure as a share of the total education budget expenditure. In recent years, education has accounted for roughly 21% of the national budget, making it one of the largest expenditure items.

Between the 2015/16 and 2021/22 financial years, household consumption expenditure on education consistently constituted approximately 3% of total household expenditure as a component of GDP. However, beginning in the 2019/20 financial year, this proportion increased to roughly 4%, with subsequent periods reflecting a continued upward trend. This increase in the share of household education expenditure may be indicative of broader economic constraints, transformations in education financing structures, or evolving household decision-making priorities regarding investment in education.

Furthermore, total government expenditure on education was approximately 6,3% of GDP in 2015/16, and increased to close to 7% since 2018/19 which is relatively high compared to global averages indicating strong public investment in South Africa.

2.5 Financial aid and scholarship

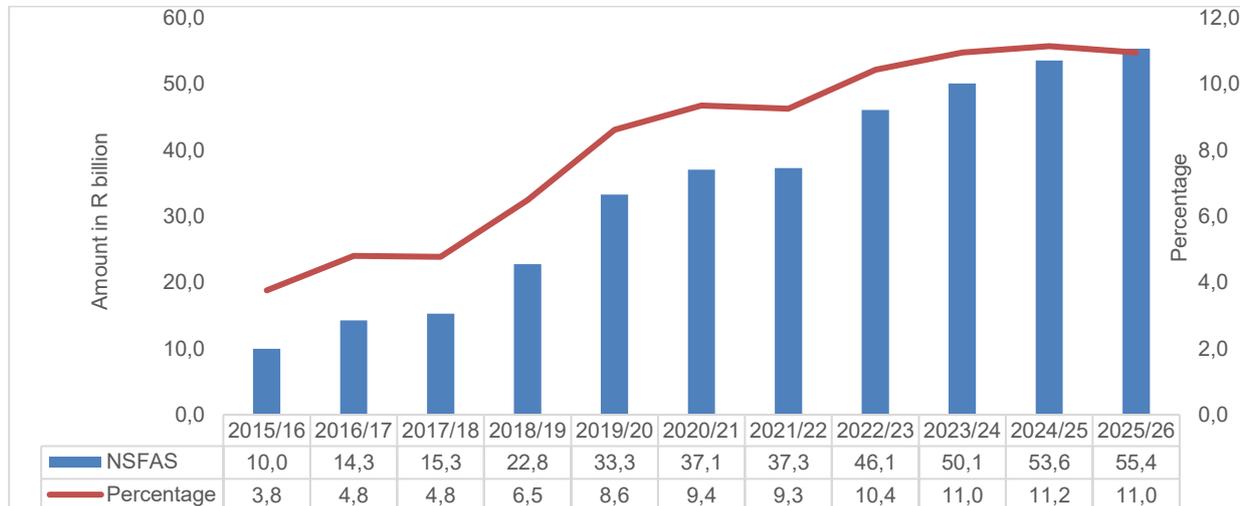
The National Student Financial Aid Scheme (NSFAS) was formally instituted in 1999 under the provisions of the NSFAS Act No. 56 of 1999. Its primary mandate is to facilitate equitable access to higher education for students originating from economically disadvantaged backgrounds in South Africa. NSFAS provides comprehensive financial support to eligible students enrolled at public universities and (TVET) colleges. This support encompasses tuition fees, accommodation costs, prescribed learning materials, and transport allowances.

From 1991 to 2017, the financial aid scheme was structured around a loan-based model. Under this arrangement, students were granted loans to support their studies, with a performance-based incentive mechanism. Specifically, up to 40% of the loan amount was converted into a bursary contingent upon successful academic progress, thereby reducing the repayment burden. The remaining 60% of the loan was subject to repayment, which commenced once the beneficiary entered formal employment (Cloete, 2023).

The #FeesMustFall movement served as a catalyst for significant policy reform in South Africa's higher education sector. It compelled government to address the burden of historical student debt and laid the foundation for a more equitable funding framework. In response, the NSFAS transitioned in 2018 from a loan-based system to a full bursary model targeted at students from poor and working-class backgrounds. Under this revised model, financial support is provided as a non-repayable bursary, contingent upon students meeting prescribed academic performance criteria. This shift represents a strategic move towards improving access to higher education and reducing financial barriers for disadvantaged groups. The scheme funds tuition, registration, accommodation (capped), learning materials, living allowances, and transport for eligible students at public universities and TVET colleges, acting as a bursary (not a loan) for most, covering core costs but often requiring extra funding for shortfalls.

Eligibility for NSFAS funding is determined by specific socio-economic criteria. Applicants must be South African citizens whose combined annual household income does not exceed R350,000. For students living with disabilities, the income threshold is extended to R600,000 per annum. Additionally, individuals who are recipients of the South African Social Security Agency (SASSA) grants or Social Grants Beneficiaries (SGB) automatically qualify for NSFAS assistance, thereby streamlining access for the most vulnerable populations (DHET 2024).

Figure 2.1: NSFAS budget amount and its share of the total education budget 2015/16 –2025/26



Source: Budget highlights, National Treasury 2015-2025

Figure 2.1 above, presents NSFAS budget amount and its share of the total education budget 2015/16 – 2025/26. In the 2025/26 financial year, NSFAS had a budget of R55,4 billion, a significant increase from R10,0 billion in 2015/16. This growth reflects a substantial rise in its share of the national education budget from nearly 4% in 2015/16 to approximately 11% in 2025/26. NSFAS growth rate is significantly higher compared to the growth in total education budget. The highest jump was observed from 2018/19 to 2019/20. The expansion was due to more students qualifying and applying for financial aid. Furthermore, due to economic pressures more families needed assistance due to unemployment or income stagnation.

Table 2.7: NSFAS funded applicants and SGB students, 2025

Province	NSFAS			SGB			
	Provisionally funded	Not funded	% Funded	Wrote NSC	Passed NSC	NSFAS funded	% Funded
Eastern Cape	81 856	5 645	93,5	88 093	73 126	33 246	45,5
Free State	35 565	4 440	88,9	30 603	26 651	12 465	46,8
Gauteng	127 524	14 361	89,9	93 302	78 731	37 165	47,2
KwaZulu-Natal	194 224	23 373	89,3	145 933	124 080	61 434	49,5
Limpopo	99 515	9 977	90,9	82 810	69 258	37 008	53,4
Mpumalanga	66 946	7 454	90,0	57 018	45 903	19 990	43,5
North West	36 263	3 602	91,0	34 421	29 046	10 248	35,3
Northern Cape	7 978	654	92,4	10 648	8 716	2 141	24,6
Western Cape	33 361	2 411	93,3	42 061	33 819	11 245	33,3
Unknown	371 874	37 964	90,7				
Total	1 055 106	109 881	90,6	584 889	489 330	224 942	46,0

Source: DSD, 2025

Table 2.7 above, shows the number of NSFAS applicants who were provisionally funded and those who were not funded in 2025. It also includes the number of social grant beneficiaries who wrote the National Senior Certificate (NSC) examinations and passed.

In 2025, NSFAS extended financial assistance to approximately 1,1 million students across South Africa. Of this total, 224 942 were social grant beneficiary (SGB) learners who had successfully completed their matriculation examinations. Nationally, NSFAS approved funding for nearly 91% of all applicants. Eastern Cape achieved a higher-than-average approval rate, with 93,5% of its applicants receiving funding.

A considerable number of provisionally funded students (371 874) were recorded without specified provincial data. Despite this, KwaZulu-Natal and Gauteng emerged as the leading provinces in terms of funded student numbers, with 194 224 and 127 524 recipients respectively. These two provinces also led in the number of SGB matric students, accounting for 145 933 in KwaZulu-Natal and 93 302 in Gauteng. The largest cohorts of NSFAS-funded SGB learners were in KwaZulu-Natal (61 434), Gauteng (37 165), and Limpopo (37 008), underscoring the significant demand and uptake of financial aid in these provinces.

Despite the availability of financial aid, a significant gap remains for the so-called "missing middle" households with an annual income between R350 000 and R600 000. To address this, many universities offer their own financial aid packages and work-study opportunities to help students cover educational costs. Additionally, various public and private organisations provide bursaries and scholarships based on academic merit, financial need, or specific fields of study.

One notable initiative is the Ikusasa Student Financial Aid Programme (ISFAP), which specifically supports students from the "missing middle," prioritising those enrolled in high-demand academic fields¹⁰. Another example is the Nedbank External Bursary Programme, which assists academically deserving students with proven financial need in pursuing their first undergraduate or honours degree at a South African public university or university of technology. The Funza Lushaka Bursary programme is designed to encourage students to enter the teaching profession. Furthermore, international opportunities such as the Chinese and Australian government scholarships enable South African students to pursue studies abroad in those respective countries. While not a form of grant, student loans remain another financing option. These loans typically require repayment, with interest, after graduation, making them a viable but long-term financial commitment for students.

2.6 Summary and conclusion

In the 2024/25 fiscal year, South Africa allocated approximately R491,4 billion to the education sector, underscoring its strategic importance in national development. This investment comprising R32,6 billion for basic education, R321,7 billion for provincial education, and R137,1 billion for higher education represented about 21% of the national budget and 6,7% of the country's GDP.

These figures position education as one of the largest spending categories in the national budget, reflecting a strong governmental commitment to enhancing access, equity, and quality across all levels of the education system.

When compared internationally, South Africa emerges as a relatively high spender on education in both budgetary and economic terms. Zimbabwe, for instance, allocated 20,5% of its national budget to education, but its total education expenditure accounted for only around 5% of GDP, suggesting either a smaller economic base or differences in spending efficiency. Brazil dedicated 13,4% of its national budget to education, with spending amounting to approximately 5,6% of GDP, while India allocated just 11,5% of its budget and 4,1% of GDP to the sector¹¹. These comparisons highlight South Africa's prioritisation of education as a key driver of human capital development and long-term socio-economic progress.

Increased funding for basic and provincial education supports infrastructure development, teacher recruitment, and the provision of learning materials, which are essential for reducing disparities between urban and rural schools. In higher education, the substantial allocation facilitates the expansion of universities and TVET colleges, enhances research capacity, and strengthens student financial aid programs, thereby improving access to post-secondary education and aligning graduate skills with labour market needs. Over the long term, such investment contributes to economic growth by fostering a more skilled and productive workforce, reducing unemployment, and promoting social mobility.

NSFAS plays a critical role in supporting higher education students from disadvantaged backgrounds by covering tuition, accommodation, and study materials. Additional support is available through targeted programmes such as the Funza Lushaka Bursary Scheme for teaching students, and bursaries offered by municipalities and corporations like Eskom and Sasol.

¹⁰ Occupations of High Demand: STEM & Technology, Health Sciences, Commerce & Management and Built Environment.

¹¹ <https://data.worldbank.org/indicator/SE.XPD.TOTL.GD.ZS>

Chapter 3: The Rising Cost of Learning

3.1 Introduction

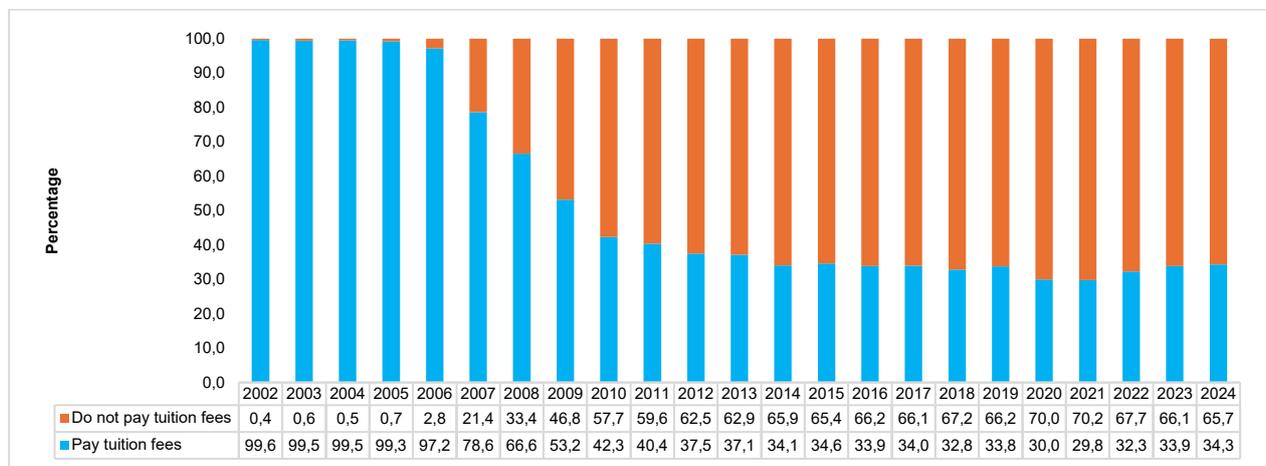
Increasing costs of education presents a significant challenge across the globe, with implications for students, families, and educational institutions. In many regions, tuition fees have continued to rise, often in alignment with broader inflationary trends. However, the impact of inflation extends beyond tuition, influencing the affordability of housing, food, and essential learning materials. Educational institutions are similarly affected, facing escalating operational costs that may necessitate budgetary adjustments, including reductions in services and support structures. These financial pressures can have downstream effects on the quality and accessibility of education. For students from economically disadvantaged backgrounds, rising costs have traditionally posed a significant barrier to accessing higher education. However, this is less applicable in the South African context today due to the support provided by NSFAS. Instead, the financial strain is increasingly felt by middle-income families who do not qualify for NSFAS assistance yet still face substantial tuition and living expenses. Without targeted interventions or expanded financial aid, the pursuit of tertiary education may become increasingly unattainable for many.

3.2 Attendance of education institutions

The financial burden associated with education constitutes a substantial barrier to access, particularly for learners from low-income households and marginalised communities. This issue spans all levels of education, from early childhood development programmes to tertiary institutions, and is especially pronounced in contexts where public investment in education is inadequate or inconsistent.

In certain households, children are expected to contribute to the family’s income or assume caregiving responsibilities. In such cases, school attendance may result in the forfeiture of essential household support or potential earnings, thereby making educational participation a difficult trade-off rather than an assured opportunity.

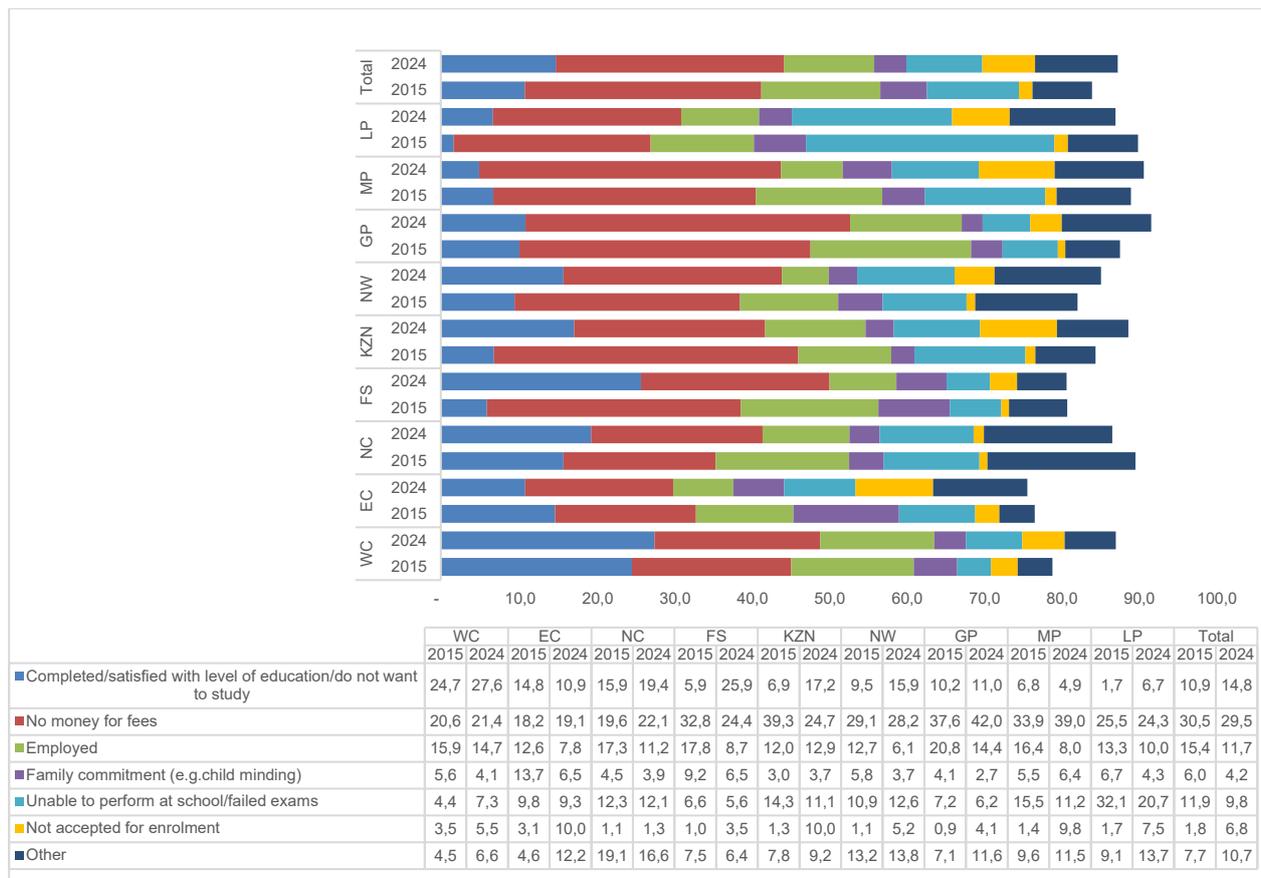
Figure 3.1: Percentage distribution of individuals 5 years and older who attended schools and who did not pay tuition fees, 2002–2024



Source: GHS 2002-2024

Figure 3.1 above, depicts the percentage distribution of individuals five years and older who attended educational institutions, disaggregated by the payment of tuition fees in South Africa. The graph highlights a significant decline in the proportion of individuals paying tuition fees, from nearly 100% in 2002 to just 34,3% in 2024. This sharp reduction can be largely attributed to the introduction of the No-Fee Schools Policy in South Africa in 2007, which facilitated the expansion of free basic education. By 2010, the percentage of fee-paying learners had already been reduced by more than half, reflecting the policy’s substantial impact.

Figure 3.2: Percentage distribution of top reasons for not attending educational institutions for individuals 5–24 years, 2015 and 2024



Source: GHS 2015 & 2024; Note: Only top 7 reasons were used hence figures do not add up to 100%.

Figure 3.2 presents the percentage distribution of individuals aged 5–24 years by the main reasons for not attending an educational institution in 2015 and 2024. In both years, a similar proportion of respondents approximately 26% in 2015 and 27% in 2024 reported non-attendance due to either satisfaction with their current level of education, resulting in no desire for further schooling, or engagement in employment.

However, financial constraints also played a significant role. Close to 31% of individuals in 2015 and approximately 30% in 2024 reported that they could not afford school fees. This issue was particularly pronounced in certain provinces. For instance, in Gauteng, the percentage of individuals citing lack of money for fees increased from 37,6% in 2015 to 42% in 2024. Similarly, in Mpumalanga, the proportion rose from 33,9% in 2015 to 39% in 2024. Despite substantial government funding allocated to the education sector, the persistence and in some provinces, the increase of financial barriers to school attendance suggests that current funding mechanisms may not be adequately reaching the most vulnerable populations.

Table 3.1 Distribution of individuals 5–24 years not attending school because they were satisfied with their education, by highest level achieved and sex, 2015 – 2024

Highest level of education	2015					
	Number			Percentage		
	Male	Female	Total	Male	Female	Total
Grade 7	17 030	8 509	25 540	6,5	3,2	4,9
Grade 8	13 426	7 263	20 689	5,1	2,8	3,9
Grade 9	23 991	15 148	39 139	9,1	5,8	7,5
Grade 10	24 483	31 158	55 641	9,3	11,9	10,6
Grade 11	20 954	23 717	44 671	8,0	9,0	8,5
Grade 12	91 679	109 193	200 872	34,9	41,6	38,3
Certificate with Grade 12	6 883	5 846	12 729	2,6	2,2	2,4
Diploma with Grade 12	10 626	28 907	39 533	4,0	11,0	7,5
Bachelors/Honours Degree	17 339	16 580	33 919	6,6	6,3	6,5
Total*	226 411	246 321	472 732	86,2	93,9	90,1
Highest level of education	2024					
	Number			Percentage		
	Male	Female	Total	Male	Female	Total
Grade 7	13 805	6 977	20 782	3,7	1,8	2,7
Grade 8	23 381	11 795	35 176	6,3	3,0	4,6
Grade 9	26 810	15 039	41 849	7,2	3,8	5,5
Grade 10	52 385	35 509	87 894	14,1	9,1	11,5
Grade 11	33 420	33 854	67 274	9,0	8,7	8,8
Grade 12	164 875	184 226	349 102	44,5	47,1	45,8
Certificate with Grade 12	3 182	6 919	10 102	0,9	1,8	1,3
Diploma with Grade 12	6 351	25 207	31 558	1,7	6,4	4,1
Bachelors/Honours Degree	18 328	31 459	49 787	4,9	8,0	6,5
Total*	342 538	350 985	693 524	92,5	89,7	91,0

Source: GHS 2015 & 2024; *Note: Only selected levels of education are presented, hence figures do not add up to 100%.

Table 3.1 above, presents the distribution of individuals who were not attending school because they were satisfied with their level of education. In 2015, nearly 500 000 individuals 5–24 years reported being satisfied with their level of education and therefore did not participate in any educational activities. By 2024, this number had grown to approximately 700 000. Among those who cited this reason, the majority had completed Grade 12 only. In 2015, this group accounted for about 38%, but by 2024, the proportion had risen to nearly 46%. Among learners who dropped out before completing secondary education, the largest increases were observed in Grades 10 and 11, rising from 55 641 in 2015 to 87 894 in 2024 for Grade 10, and from 44 671 to 67 894 over the same period for Grade 11.

Between 2015 and 2024, there was a noteworthy increase in the number of individuals reporting satisfaction with their level of education at the bachelor's degree level, rising from 33 919 to 49 787, which represents a growth of approximately 46,8%. When disaggregated by gender, the number of male graduates who chose not to pursue further education increased from 17 339 to 18 328, reflecting an expansion of nearly 6%. In contrast, female graduates experienced a more pronounced rise, with figures growing from 16 580 to 31 459, amounting to an increase of approximately 89,7%.

Table 3.2: Distribution of individuals 5–24 years not attending school because they did not have money for education fees, by highest level achieved and sex, 2015–2024

Highest level of education	2015					
	Number			Percentage		
	Male	Female	Total	Male	Female	Total
No schooling	7 544	4 194	11 738	1,1	0,5	0,8
Grade 5	5 776	2 056	7 832	0,8	0,3	0,5
Grade 6	7 762	7 667	15 429	1,1	1,0	1,0
Grade 7	18 114	12 476	30 590	2,7	1,6	2,1
Grade 8	25 412	21 567	46 980	3,7	2,7	3,2
Grade 9	49 466	46 674	96 139	7,3	5,9	6,5
Grade 10	59 889	46 915	106 804	8,8	5,9	7,3
Grade 11	83 451	96 492	179 943	12,3	12,2	12,2
Grade 12	379 804	500 898	880 703	55,8	63,2	59,8
Certificate with Grade 12	14 239	12 331	26 570	2,1	1,6	1,8
Diploma with Grade 12	8 546	16 572	25 118	1,3	2,1	1,7
Bachelors/Honours Degree	3 443	4 988	8 432	0,5	0,6	0,6
Total*	663 446	772 831	1 436 277	97,5	97,5	97,5
Highest level of education	2024					
	Number			Percentage		
	Male	Female	Total	Male	Female	Total
No schooling	16 969	18 396	35 364	1,4	1,1	1,2
Grade 5	1 752	1 893	3 644	0,2	0,2	0,2
Grade 6	6 324	775	7 098	0,9	0,1	0,5
Grade 7	9 661	8 972	18 633	1,3	1,2	1,2
Grade 8	11 609	9 497	21 106	1,6	1,2	1,4
Grade 9	29 929	14 326	44 255	4,1	1,9	2,9
Grade 10	32 158	35 286	67 444	4,4	4,6	4,5
Grade 11	60 392	66 160	126 552	8,2	8,6	8,4
Grade 12	522 493	578 635	1 101 128	70,7	74,8	72,8
Certificate with Grade 12	2 564	1 366	3 930	0,3	0,2	0,3
Diploma with Grade 12	9 753	6 313	16 067	1,3	0,8	1,1
Bachelors/Honours Degree	7 587	5 742	13 329	1,0	0,7	0,9
Total*	711 191	747 360	1 458 550	95,4	95,3	95,4

Source: GHS 2015 & 2024; *Note: Only selected levels of education are presented; hence figures do not add up to 100%.

Table 3.2 above, illustrates the distribution of individuals who were not attending school due to insufficient financial resources to cover tuition fees. In both years approximately 1,5 million individuals 5–24 years people cited this reason, with nearly 60% having completed Grade 12 in 2015, around 12% having exited after Grade 11, approximately 7% after Grade 10, and about 7% after Grade 9. By 2024, close to three-quarters (73%) of those unable to pursue studies for financial reasons had completed Grade 12, representing a notable increase compared to 2015. This upward trend suggests that financial barriers increasingly affect individuals who have already attained higher levels of education, particularly those completing Grade 12. Although NSFAS has provided an avenue to qualifying students to study at colleges or universities after school, many individuals are seemingly not supported. While the proportion of dropouts after Grade 10 or lower declined slightly, the number of individuals leaving after Grade 11 remained high. This shift may indicate that learners are persisting longer in the education system before financial constraints force them to discontinue, which could reflect both improved access to earlier grades and rising costs associated with post-secondary opportunities.

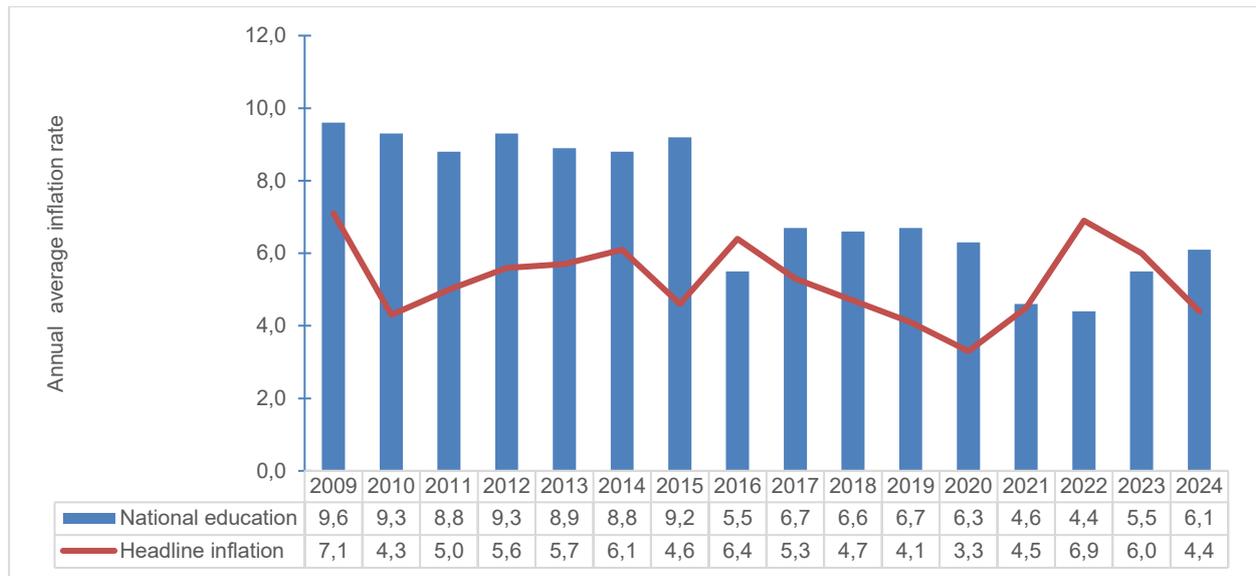
In 2015, a subset of individuals who identified financial constraints as an impediment to pursuing further education had nonetheless acquired post-secondary qualifications, predominantly in the form of certificates or diplomas, with fewer than one percent attaining a bachelor's degree. By 2024, the prevalence of certificate completions had diminished, whereas the proportion of individuals earning diplomas and bachelor's degrees exhibited an upward trend.

3.3 Inflation and affordability of education

Inflation and the affordability of education are closely linked. When inflation rises, the cost of running educational institutions increases because expenses such as salaries, utilities, and materials become more expensive. This often leads to higher tuition fees. In addition, learning resources like textbooks and technology also see price hikes, and students face increased living costs for accommodation, food, and transport (Stats SA, 2025). In this section, annual average education inflation rates are presented¹².

¹² Note: Rates show the official inflation rates as published in the monthly CPI release. Differences due to rounding off may occur when using the rebased indices in Table B1 to calculate the rates of change

Figure 3.3: CPI headline year-on-year rates compared to national average education inflation rates, 2009–2024

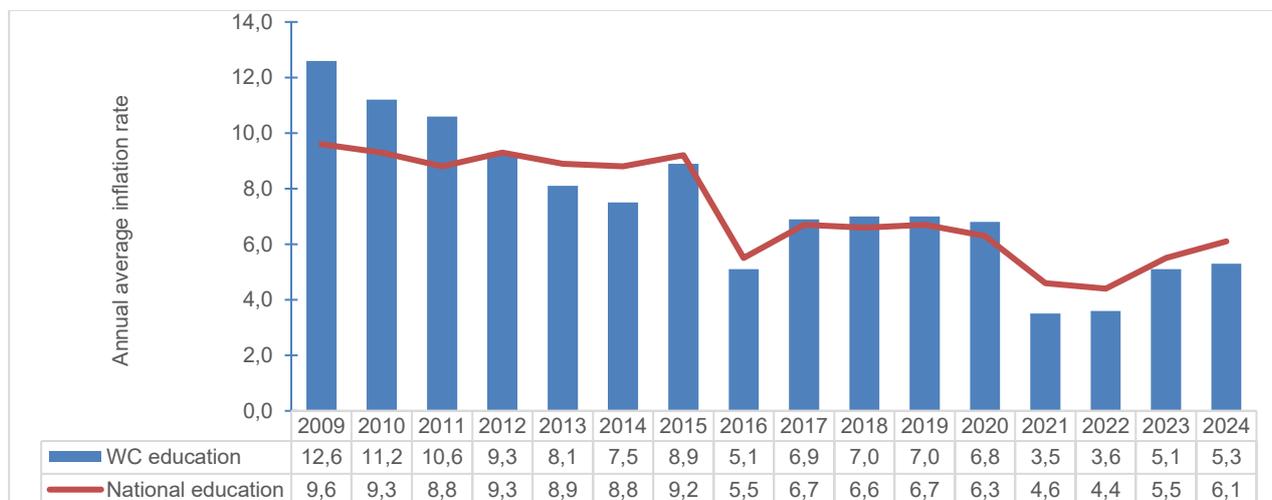


Source: CPI 2025

Figure 3.3 above, presents CPI headline and national average education inflation year-on-year rates. The data indicates that the cost of education services in South Africa has, with the exception of a few years, consistently increased at a rate exceeding general consumer price inflation. In 2024, the annual average inflation rate for education services was 6,1%, compared to the overall headline inflation rate of 4,4%, signifying that education costs have escalated more rapidly than most other goods and services. Historically, the highest recorded annual average inflation rate for education occurred in 2009 at 9,6%, while the lowest was observed in 2022 at 4,4%, which was even below the headline inflation rate for that year.

Between 2009 and 2015, education inflation remained persistently elevated, averaging close to 9%. From 2016 onwards, however, the rate exhibited a gradual decline, stabilising within the range of 6% to 7%. Notably, education inflation only fell below the headline inflation rate in 2016, 2021, 2022, and 2023. These trends underscore the structural tendency for education costs to rise at a relatively faster pace than general consumer prices, with only limited periods of moderation.

Figure 3.4: National education inflation year-on-year rates compared to Western Cape average education inflation rates, 2009–2024



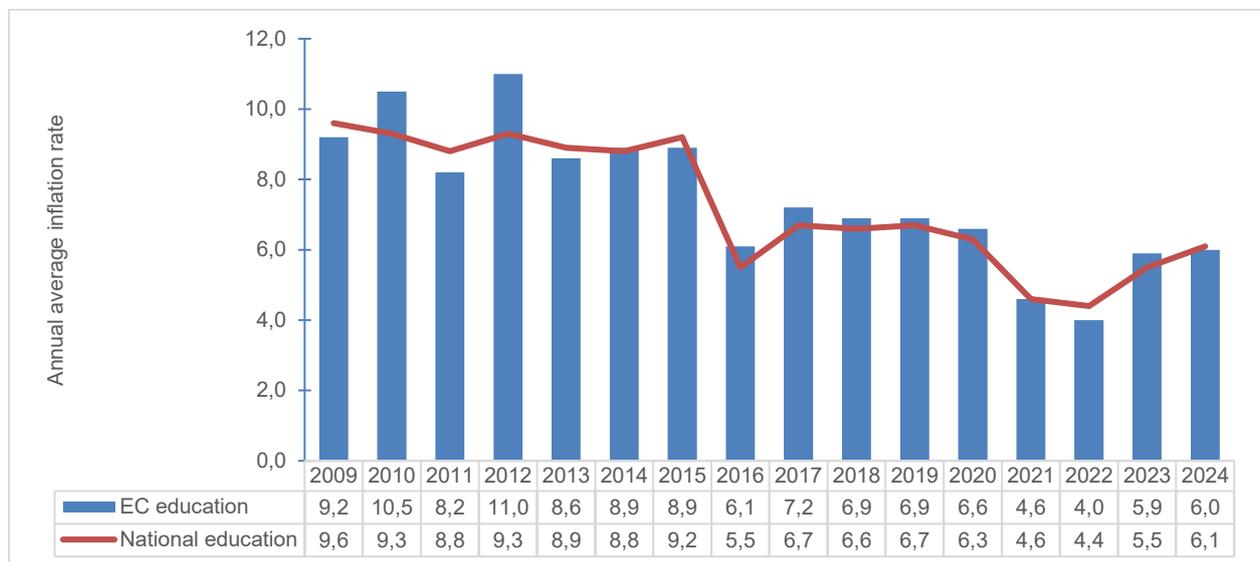
Source: CPI 2025

Figure 3.4 above, presents the national education year-on-year rates compared to Western Cape average education inflation rates. Education inflation in Western Cape has historically trended above the national average for most of the review period. The trend began with a relatively high base of 12,6% in 2009 but declined steadily to 5,3% in 2024, effectively halving over the 15-year span.

In contrast, the national education inflation rate did not experience a similar proportional reduction, indicating a more pronounced downward adjustment within the province. In 2012, both provincial and national rates aligned at 9,3%, reflecting parity in cost pressures at that point. By 2016, Western Cape recorded a marginally lower rate than the national average (5,1% compared to 5,5%), suggesting a temporary moderation in provincial inflationary dynamics. This sustained decline may point to structural efficiencies; policy interventions aimed at affordability or shifts in demand and supply within the education sector.

However, a notable shift occurred during the four consecutive years from 2021 to 2024, when education inflation in Western Cape consistently remained below the national average. This downward trend may reflect improved cost management within the province, policy interventions aimed at affordability, or structural changes in the education sector. The sustained lower rates could have positive implications for household expenditure, potentially easing financial pressure on families and improving access to education.

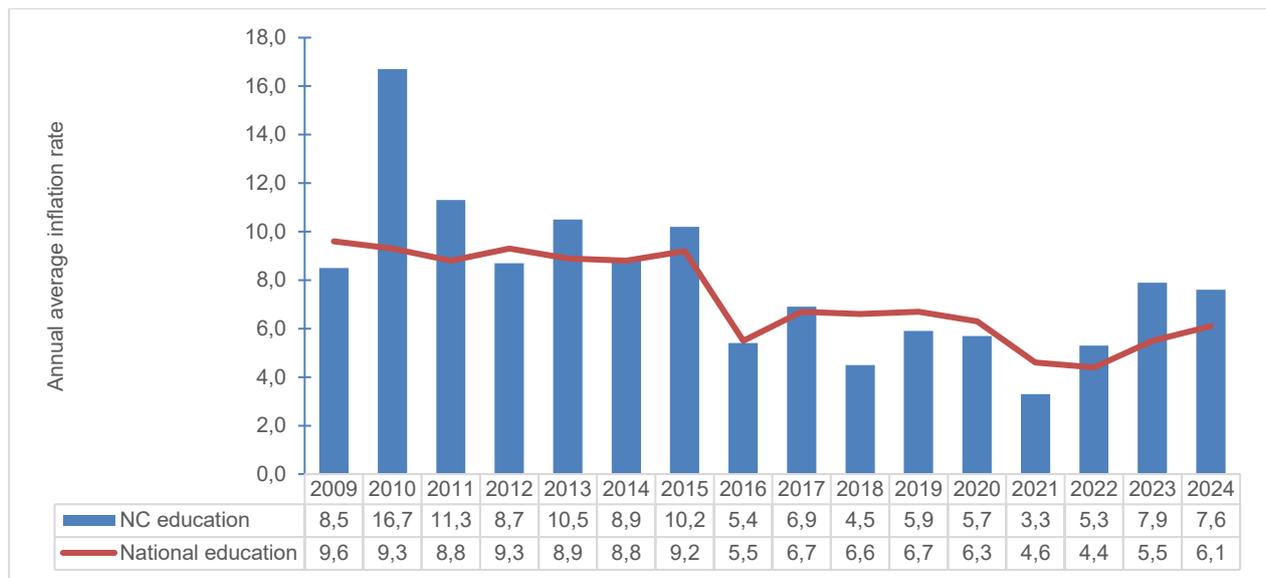
Figure 3.5: National education inflation year-on-year rates compared to Eastern Cape average education inflation rates, 2009–2024



Source: CPI 2025

Figure 3.5 above, presents the national education year-on-year rates compared to Eastern Cape average education inflation rates. Although national average education inflation rates were generally lower across most years, the differences between Eastern Cape and the national average remained relatively modest, with notable exceptions in 2010 when Eastern Cape recorded 10,5% compared to the national average of 9,3%, and in 2012 when the province reached 11% against 8,8% nationally. Furthermore, Eastern Cape was among the three provinces where the regional education inflation rate exceeded the national average during the significant decline observed in 2016, registering 6,1% compared to 5,5% nationally. These variations may be attributed to factors such as regional disparities in school fee structures, differences in resource allocation, and localised cost pressures related to educational inputs. The province’s predominantly rural character likely exacerbates these challenges, as dispersed populations increase transportation and infrastructure costs, limit economies of scale, and create difficulties in attracting and retaining qualified educators, all of which contribute to higher education-related expenses.

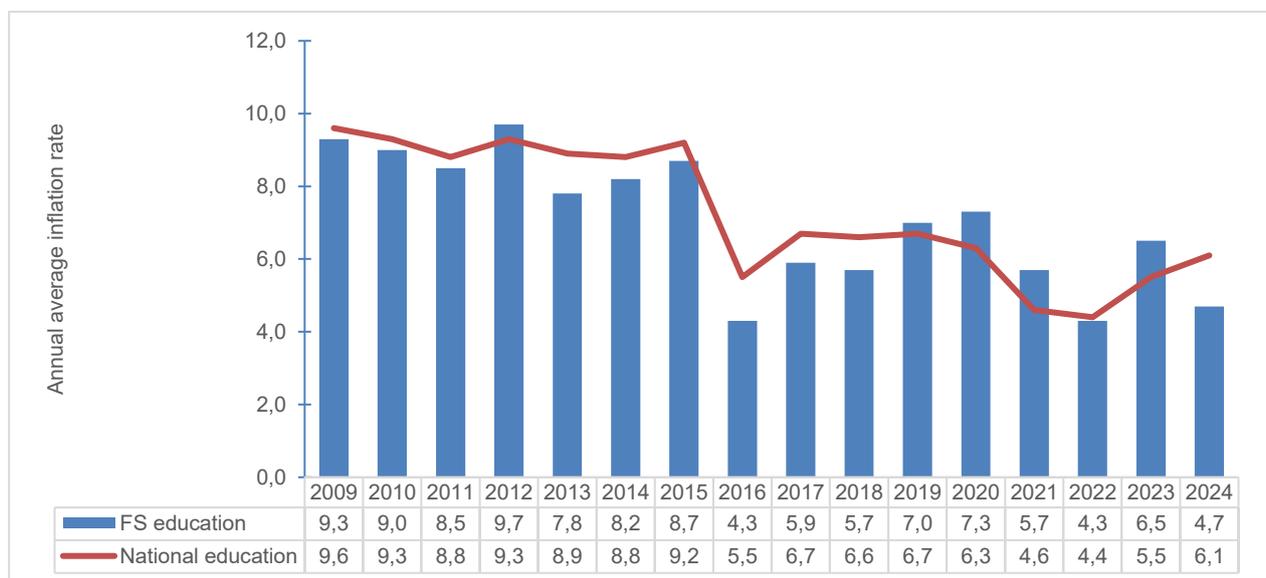
Figure 3.6: National education year-on-year rates compared to Northern Cape average education inflation rates, 2009–2024



Source: CPI 2025

Figure 3.6 presents the national education year-on-year rates compared to Northern Cape average education inflation rates. In 2010, the province recorded the highest education inflation rate at 16,7%, which was nearly double the national average of 9,3%. This pronounced disparity in 2010 indicates that the province faced unique cost pressures in education compared to the national trend, potentially reflecting localised economic conditions or policy factors. Aside from this significant disparity, variations between the average provincial education inflation and the national average were generally minimal. Moreover, during the period 2016–2021, the rates were largely comparable, with provincial averages occasionally falling below the national average.

Figure 3.7: National education inflation year-on-year rates compared to Free State average education inflation rates, 2009–2024



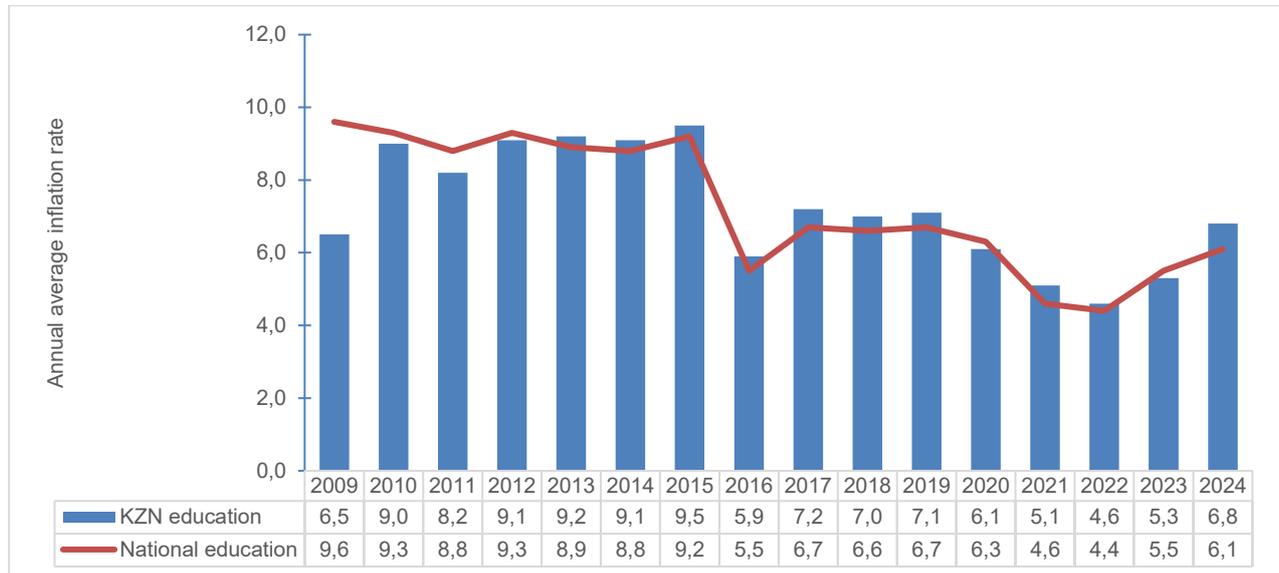
Source: CPI 2025

Figure 3.7 above, presents the national education year-on-year rates compared to Free State average education inflation rates. While the province recorded moderate education inflation relative to other provinces (peaking at 9,7% in 2012), its rates were consistently below the national average for education inflation.

In contrast, Eastern Cape experienced significantly higher inflationary pressures, reaching 11% in 2012. These disparities underscore regional differences in cost dynamics, likely influenced by variations in demand for educational services, resource allocation, and institutional pricing strategies. The province's relatively

lower inflation suggests a more controlled cost environment, potentially improving affordability and access compared to provinces with higher inflation.

Figure 3.8: National education inflation year-on-year rates compared to KwaZulu-Natal average education inflation rates, 2009–2024

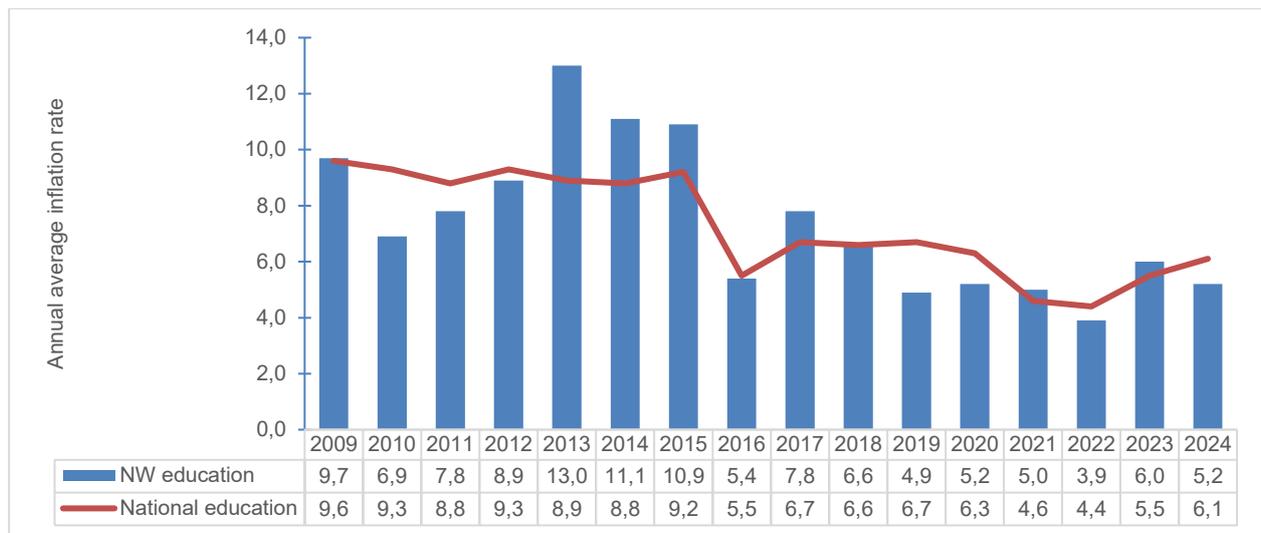


Source: CPI 2025

Figure 3.8 above, presents the national education year-on-year rates compared to KwaZulu-Natal average education inflation rates. Consistent with trends observed in Free State, the province recorded education inflation rates that were broadly aligned with the national average. During the period 2009–2012, provincial rates were below the national average; however, in subsequent years, they exceeded the national average by a marginal degree. This shift indicates a gradual convergence toward national patterns, followed by a slight upward deviation, which may reflect changes in provincial education cost structures or policy adjustments. Furthermore, KwaZulu-Natal was among the three provinces where the regional education inflation rate exceeded the national average during the significant decline observed in 2016, registering 5,9% compared to 5,5% nationally.

Such patterns are often driven by underlying cost dynamics. These adjustments include revisions to tuition fee frameworks as previously discussed, increased investment in infrastructure and staffing, and alignment with national curriculum standards, all of which can exert upward pressure on education-related costs. These changes ultimately translate into higher financial burdens for households, particularly those with limited disposable income, as education becomes a more significant component of overall living expenses.

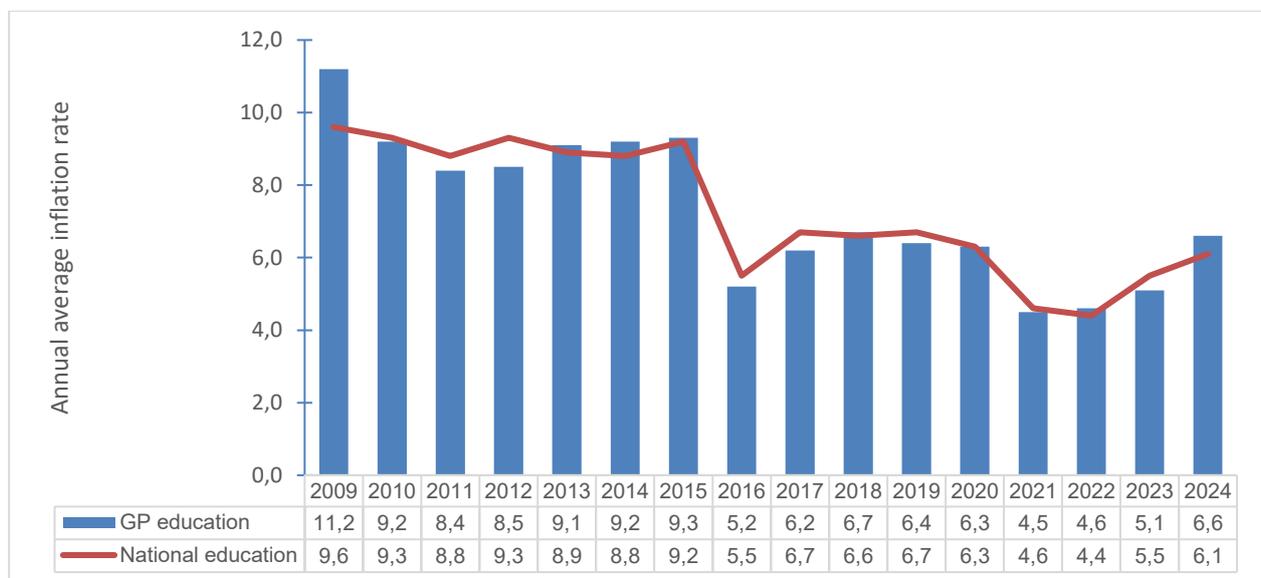
Figure 3.9: National education inflation year-on-year rates compared to North West average education inflation rates, 2009–2024



Source: CPI 2025

Figure 3.9 above, presents the national education year-on-year rates compared to North West average education inflation rates. From 2009 to 2012, North West recorded education inflation rates consistently below the national average, indicating relative price stability in the education sector during this period. This trend reversed between 2013 and 2015, when the province experienced double-digit inflation, significantly exceeding national averages. The sharp increase suggests structural cost pressures, possibly linked to rising operational expenses, wage adjustments, or policy changes affecting education services. Since 2016, provincial education inflation has generally remained below the national average, with the exception of 2017 and 2023, when temporary spikes occurred. These fluctuations highlight the sensitivity of education costs to both macroeconomic conditions and provincial-level dynamics, underscoring the need for targeted interventions to maintain affordability and prevent volatility in the sector.

Figure 3.10: National education inflation year-on-year rates compared to Gauteng average education inflation rates, 2009–2024

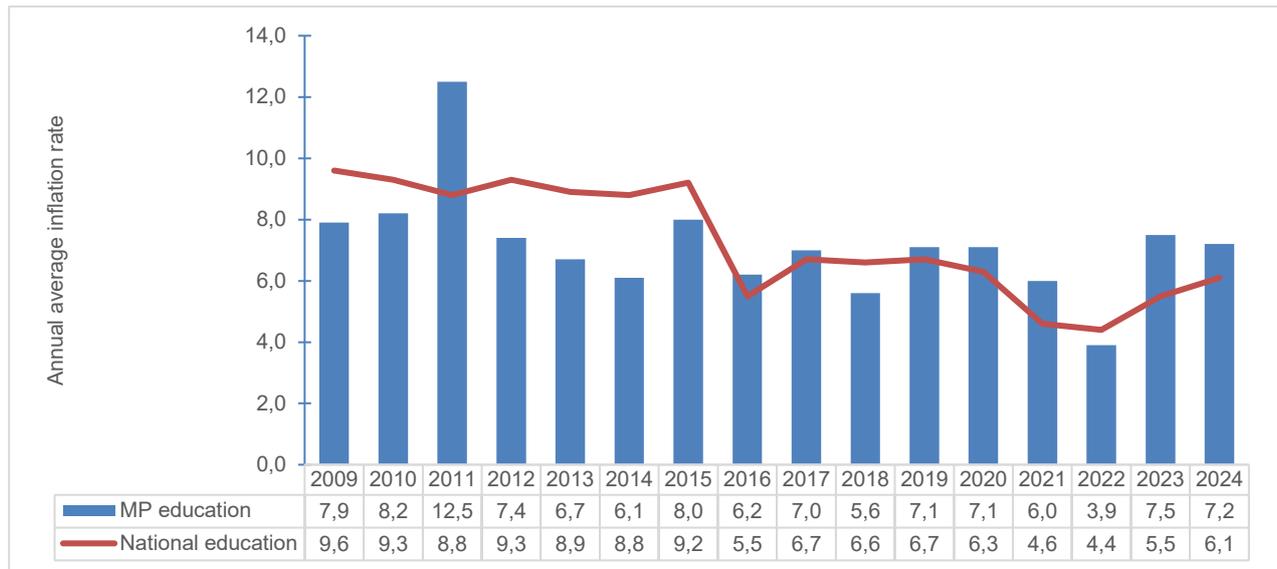


Source: CPI 2025

Figure 3.10 above, presents the national education year-on-year rates compared to Gauteng average education inflation rates. Gauteng and Western Cape are the only provinces that commenced with a substantially high education inflation base in 2009, exceeding the national average by a significant margin.

This initial position can be attributed to the province’s relatively higher cost structure in the education sector, driven by concentrated urban demand and premium pricing among private institutions. Furthermore, Gauteng is the sole province whose education inflation trajectory has consistently aligned with national trends. This alignment reflects a combination of stable policy interventions, competitive market dynamics, and sustained household income levels, which collectively moderated volatility. As a result, Gauteng avoided pronounced inflationary spikes; however, this stability also precluded the province from benefiting from the exceptionally low education inflation levels observed in Western Cape, where structural cost efficiencies and slower demand growth contributed to subdued inflation.

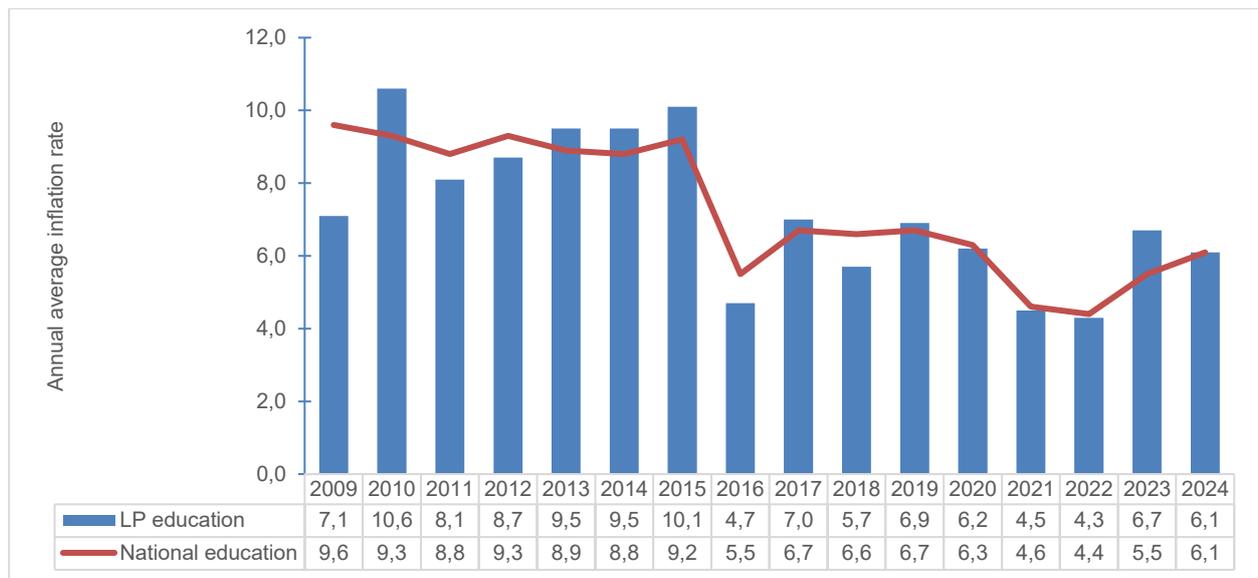
Figure 3.11: National education inflation year-on-year rates compared to Mpumalanga average education inflation rates, 2009–2024



Source: CPI 2025

Figure 3.11 above, presents the national education year-on-year rates compared to Mpumalanga average education inflation rates. Mpumalanga recorded the highest education inflation in 2010 and stayed above the national average until 2015, driven by persistent cost pressures in basic and secondary education. In 2016, when national inflation dropped sharply due to tertiary fee adjustments, Mpumalanga still recorded 6,2% compared to 5,5% nationally, showing limited sensitivity to these changes. The province only fell below the national average in 2018 and 2022, suggesting temporary cost containment rather than a structural shift. Mpumalanga’s education inflation reflects structural and geographic disparities. As a rural province with few tertiary institutions, its inflation was less affected by the 2016 fee adjustment, a key driver of the national decline.

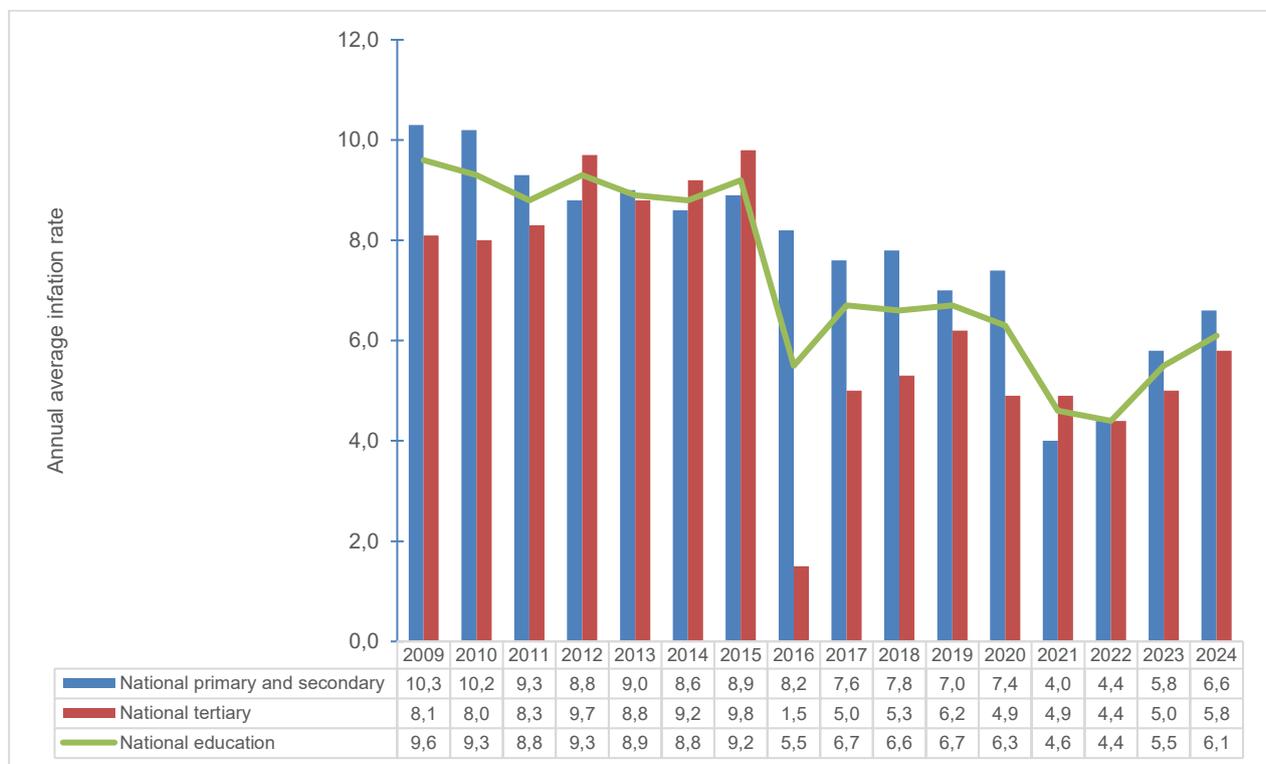
Figure 3.12: National education inflation year-on-year rates compared to Limpopo average education inflation rates, 2009–2024



Source: CPI 2025

Figure 3.12 above, presents the national education year-on-year rates compared to Limpopo average education inflation rates. Limpopo has generally experienced education inflation rates above the national average, reflecting higher costs in rural areas. Since 2016, both provincial and national rates have declined significantly, reducing the gap between them. This decline is partly due to improved cost management and stabilisation of input prices in the education sector.

Figure 3.13: National average education, primary and secondary, and tertiary education inflation year-on-year rates, 2009–2024



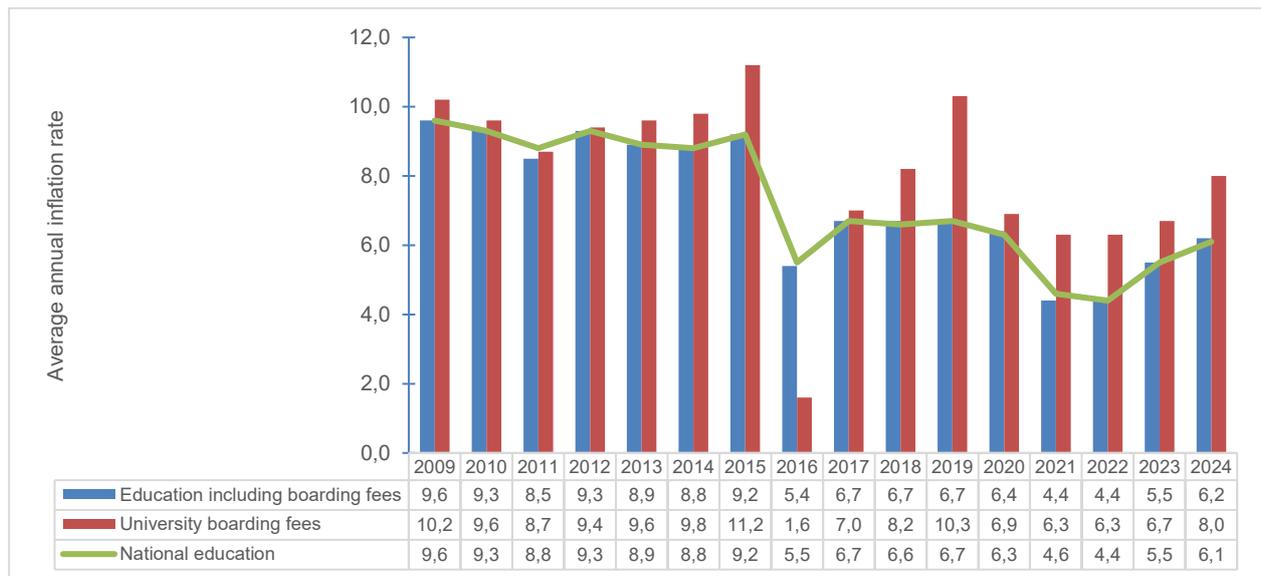
Source: CPI 2025

Figure 3.13 presents national average year-on-year inflation rates for education services, covering primary and secondary education and tertiary education. In 2024, primary and secondary education services

recorded an annual rate of 6,6%, marginally exceeding the overall average education inflation rate of 6,1%. Conversely, tertiary education services experienced a rate of 5,8%, slightly below the overall average.

A review of historical trends indicates that average inflation rates for primary and secondary education have generally remained higher than those for tertiary education, with the notable exception of the period 2012–2015. During this interval, tertiary education inflation peaked at 9,8% in 2015, followed by a sharp decline to 1,5% in 2016. This significant reduction is closely associated with the #FeesMustFall movement, which emerged in October 2015 in response to proposed university fee increases for the subsequent academic year. The movement likely contributed to the moderation of tertiary education inflation, which stabilised at approximately 5% in 2017 and reduced the average national education rates to 6,7% in 2017 from 9,2% in 2015.

Figure 3.14: Average education, education including boarding fees and university boarding fees inflation year-on-year rates, 2009–2024



Source: CPI 2025

Figure 3.14 presents the average education, education including boarding fees and university boarding fees inflation year-on-year rates. The data indicates that, with the exception of 2016, the inflation rate for university boarding fees consistently exceeded both the combined inflation rate for education and boarding fees and the overall national education inflation rate. Furthermore, the inflation trend for education, including boarding fees, closely mirrored the national education inflation pattern. Notably, university boarding fees experienced their highest inflation in 2015 at 11,6%, followed by a sharp decline to 1,6% in 2016, before rising again to 8% in 2024. This reduction can be attributed primarily to policy interventions during the “#FeesMustFall” movement, which prompted universities to implement fee freezes or minimal increases to address affordability concerns and mitigate student unrest. Additionally, government measures to cap fee hikes and provide subsidies further suppressed inflationary pressures. The high base effect from the previous year’s substantial increase also contributed to the lower year-on-year rate observed in 2016.

3.4 Summary and conclusion

Financial constraints remain a significant barrier to educational participation in South Africa. Analysis of data from 2015 and 2024 reveals a growing proportion of individuals who, despite completing Grade 12, are unable to pursue further studies due to lack of funds. While the number of those who dropped out after Grade 10 or lower has declined slightly, the number of learners leaving after Grade 11 has increased markedly. These trends highlight the urgent need for targeted financial support at critical transition points, particularly between secondary and tertiary education.

Inflation significantly erodes the purchasing power of households by reducing the real value of money over time. As the cost of goods and services increases, families find it increasingly difficult to afford essential expenses, including education. (Stats SA 2025 March). In South Africa, this economic pressure affects both basic and higher education. For basic education, rising costs may include school fees (in fee-paying public and private schools), uniforms, transport, and learning materials (Walter, 2025 February). These expenses can be prohibitive for low-income households, potentially leading to reduced school attendance or

compromised educational quality. In higher education, the financial burden is even more pronounced, often requiring external financial support.

One of the most direct consequences is the increase in tuition and institutional fees. As inflation drives up the cost of operational necessities, such as staff salaries, utilities, and facility maintenance, educational institutions often respond by raising tuition to maintain financial stability and service quality. This escalation in fees places a greater financial burden on students and their families, potentially limiting access to higher education for economically disadvantaged groups (Stats SA, 2015).

Overall, data indicates that education inflation generally outpaces headline inflation, except during periods of broader economic volatility. The sharp decline in 2016 highlights the sensitivity of education inflation to changes in tertiary education costs. In addition to tuition hikes, inflation also contributes to the rising cost of educational materials. Textbooks, stationery, and other essential supplies become more expensive as production and distribution costs increase. Publishers and suppliers adjust their pricing to reflect these changes, further compounding the overall cost of education. Moreover, boarding fees have seen significant increases, driven by rising food prices, utilities, and accommodation costs. For students, especially those in resource-constrained environments, the cumulative effect of these rising expenses including tuition, boarding, and learning materials can hinder academic progress and exacerbate educational inequality.

While some financial aid programmes attempt to adjust for inflation, many do not adequately reflect the rising costs of education. This misalignment can result in a funding shortfall, placing a greater financial burden on students and families. In basic education, government subsidies and no-fee schools aim to alleviate costs, but resource constraints and inflation may limit their effectiveness. In higher education, students increasingly rely on financial aid mechanisms such as bursaries, scholarships, and loans.

The growing cost of higher education has led to a rise in student borrowing, particularly through NSFAS loans and private financial institutions. This trend contributes to escalating levels of student debt, which can have long-term financial consequences. Graduates burdened by debt may face delayed entry into asset ownership, restricted access to credit, and prolonged financial dependence. These outcomes are especially concerning in a labour market characterised by high unemployment and limited opportunities for young professionals.

Chapter 4: Households Expenditure on Education Related Materials

4.1 Introduction

This section draws on data from the 2022/23 Income and Expenditure Survey (IES). The table below presents broad household expenditure categories classified according to the classification of individual consumption by purpose (COICOP) 2018 framework. It is reproduced directly from the official statistical release to provide an overview of the composition of general household expenditure in 2022/23.

Table 4.1: Distribution of households' consumption expenditure by division expenditure, 2022/23

Division expenditure	Total in R Million	Average in R	Percentage contribution
Housing, water, electricity, gas and other fuels	1 060 223	49 816	34,7
Food and non-alcoholic beverages	498 972	23 445	16,3
Transport	466 726	21 930	15,3
Insurance and financial services	285 764	13 427	9,3
Clothing and footwear	153 145	7 196	5,0
Information and communication	137 453	6 458	4,5
Furnishings, household equipment and routine household maintenance	126 127	5 926	4,1
Personal care, social protection and miscellaneous goods	89 762	4 218	2,9
Restaurants and accommodation services	82 774	3 889	2,7
Education services	43 045	2 023	1,4
Alcoholic beverages, tobacco and narcotics	42 981	2 020	1,4
Recreation, sport and culture	39 647	1 863	1,3
Health	31 528	1 481	1,0
Total consumption expenditure	3 058 153	143 691	100,0

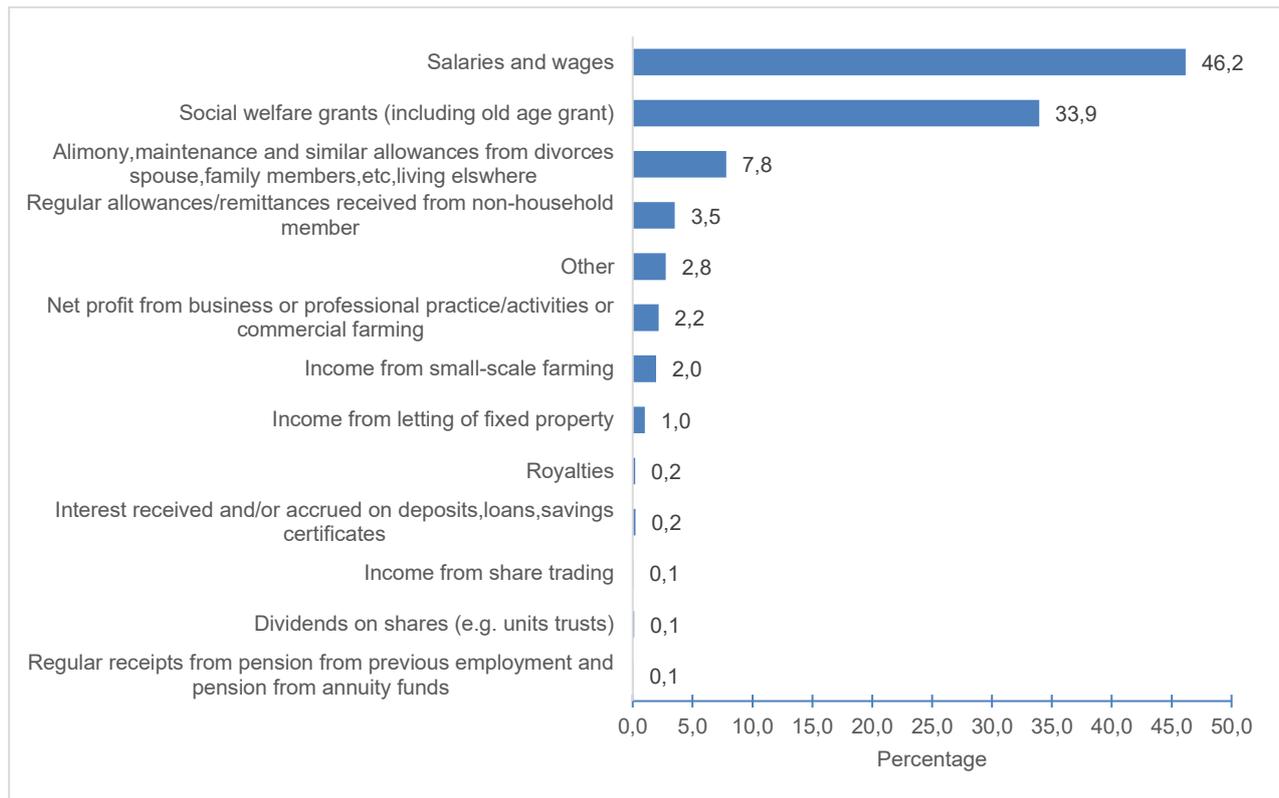
Source: P0100 Report, Stats SA, 2025

According to IES 2022/23, South African households spent approximately R3 trillion between November 2022 and November 2023. The largest expenditure categories were housing, water, electricity, gas and other fuels; food and non-alcoholic beverages; transport; and insurance and financial services. Together, these four categories accounted for 75,6% of total household consumption. Although education-related expenditures such as school fees, textbooks, uniforms, and stationery are included within overall household consumption, they do not feature among the leading expenditure categories. In the 2022/23 reporting period, households allocated an average of R2 023 per annum to education services, constituting 1,4% of total household consumption. Furthermore, male-headed households exhibited higher education-related spending (R2 490) relative to female-headed households (R1 414) (Stats SA, 2025). In comparison, during 2010/11, the average household expenditure on education was R2 544, representing 2,7% of total household consumption. Aggregate spending on education increased from approximately R33 355 million in 2010/11 to R43 045 million in 2022/23, indicating nominal growth over time despite a decline in its proportional share of household consumption.

As shown in chapter 2, a large portion of schooling costs is covered by government funding, reducing out-of-pocket expenses for households. Many households rely on public schools, which charge minimal fees compared to private institutions. Furthermore, high costs of housing, utilities, food, and transport dominate household budgets, leaving less room for large spending on education.

School fees constitute the largest component of household education expenditure in South Africa. These fees have consistently increased at a rate exceeding headline inflation, with private school fees often several times higher than those of public schools. Even within the public education sector, fees have shown a steady upward trend over recent years. Learning resources, including textbooks, laptops, and other educational materials, represent a significant expense, albeit less important to school fees. Furthermore, uniform and transportation costs particularly for families residing in rural or township areas can be substantial, adding to the overall cost of education. Collectively, these factors underscore the considerable financial commitment required from households to access education in South Africa.

Figure 4.1: Distribution of main source of household income, 2022/23



Source: IES 2022/23

Figure 4.1 illustrates the distribution of household income sources in 2022/23, revealing a strong reliance on labour market earnings and public transfers. Salaries and wages remain the dominant source of income, accounting for 46,2%, underscoring the central role of formal and informal employment in sustaining household livelihoods. However, the substantial share of households dependent on social welfare transfers (33,9%) points to persistent income vulnerability and limited absorption capacity of the labour market, particularly among poorer households. Smaller proportions of households rely on alimony or similar allowances (7,8%) and regular remittances from non-household members (3,5%), suggesting that private transfers play a supplementary rather than primary role in household income formation. Income derived from business operations, professional services, or commercial farming activities remain marginal, with only 2,2% of households reporting profits from such businesses, 2,0% from small-scale farming, and 1,0% from rental income. This pattern highlights the constrained diversification of income sources and the limited role of entrepreneurship, agriculture, and asset ownership in household income generation, reinforcing structural inequalities and exposure to economic shocks.

4.2 Household expenditure on school uniforms, footwear and other accessories

The national guidelines on school uniforms¹³ stipulate that schools should avoid imposing disproportionate financial obligations on parents. To promote affordability and equity, the guidelines recommend that institutions refrain from exclusive procurement arrangements with single suppliers, thereby allowing parents to purchase uniforms from any retailer, provided that garments conform to prescribed colour schemes and stylistic standards. Furthermore, uniform policies should be rationalised to minimise complexity, and the use of branding should be restricted to essential elements in order to reduce overall costs. In practice, numerous rural public schools adopt a flexible interpretation of branding requirements, permitting the use of plain khaki or grey attire devoid of institutional logos. Conversely, private schools and institutions within Quintiles 4 and 5 frequently enforce mandatory branded uniforms and ancillary school-specific items, which may exacerbate financial burdens on households.

Procurement of stationery and textbooks depends on the type of institution attended by learners. In public schools, provincial education departments manage bulk procurement. Schools submit their orders, and

¹³<https://www.education.gov.za/Portals/0/DoE%20Branches/GET/GET%20Policies/GG28538SchoolUniformNationalGuide.pdf>

learners receive the materials free of charge. In contrast, private schools and some Quintile 4 and 5 schools provide parents with detailed booklists and stationery requirements. Parents then purchase these items from recommended suppliers or through school-arranged vendors that offer pre-packed kits.

Table 4.2: Distribution of household expenditure on school uniform and footwear by population group and sex of the head of the household, household poverty status and province, 2022/23

	School uniform		School footwear	
	Total in R Million	Average in R	Total in R Million	Average in R
Population group				
Black African	8 942,0	1 409,6	3 279,6	569,9
Coloured	826,6	1 474,7	331,3	614,8
Indian/Asian	257,2	3 037,9	66,5	786,3
White	859,7	2 788,5	191,6	737,3
Sex				
Male	5 610,4	1 637,1	1 845,9	600,3
Female	5 275,2	1 363,0	2 023,0	567,8
Lower bound poverty line				
Non-Poor	8 480,0	-	2 800,4	-
Poor	2 405,6	-	1 068,5	-
Province				
WC	1 130,2	1 536,6	433,1	635,5
EC	1 128,4	1 491,1	490,0	677,6
NC	198,3	1 260,7	92,0	611,9
FS	614,6	1 433,1	226,5	611,8
KZN	1 892,2	1 355,9	744,0	582,1
NW	463,4	1 206,6	186,3	517,4
GP	3 496,1	1 758,1	993,7	562,5
MP	925,9	1 315,7	344,1	557,6
LP	1 036,4	1 387,7	359,1	520,0
RSA	10 885,5	1 491,7	3 868,9	582,8

Source: IES 2022/23

Table 4.2 above, shows the distribution of household expenditure on school uniform and footwear by population group and sex of the head of the household and province. In the 2022/23 financial year, households in South Africa spent R10,9 billion on school uniforms and R3,9 billion on school footwear. On average, this translates to approximately R1 491,7 per household for school uniforms and R582,8 for school shoes.

Households headed by black Africans accounted for the largest share of total spending, with R8 942,0 million allocated to school uniforms and R3 279,6 million to footwear. In contrast, when considering average household expenditure, Indian/Asian-headed households recorded the highest spending on school uniforms at R3 037,9 followed by white-headed households at R2 788,5.

An analysis by gender reveals that male-headed households incurred substantially higher expenditure on school uniforms compared to female-headed households, whereas female-headed households recorded marginally higher costs for school footwear. Specifically, male-headed households allocated approximately R5,6 billion to school uniforms, while female-headed households spent around R2 billion on school footwear.

Analysis by poverty status indicates pronounced disparities in education-related expenditure. Non-poor households allocated approximately R8 480,0 million to school uniforms, compared with about R2 405,6 million among poor households. A comparable disparity is evident in spending on school footwear, with non-poor households spending R2 800,4 million around two-and-a-half times more than poor households, underscoring persistent differences in affordability and access between the two groups.

Provincial analysis indicates that Gauteng recorded the highest total expenditure on school uniforms and footwear, with R3,5 billion spent on uniforms and R993,7 million on school shoes. In contrast, the provinces with the lowest spending on school uniforms were Northern Cape (R198,3 million) and North West (R463,4 million). When considering average household expenditure, Gauteng, Western Cape, and Eastern Cape reported figures that were at or above the national average for school uniforms. Notably, Gauteng households spent an average of R1 758,1 on uniforms, which is approximately R266 more than the national average.

Table 4.3: Distribution of households' expenditure on sport equipment, sport clothes, shoes and lessons fees by population group and sex of the head of the household, household poverty status and province, 2022/23

	Sport equipment		Sport clothes and shoes		Academic/physical training/sport/recreation fees	
	Total in R Million	Average in R	Total in R Million	Average in R	Total in R Million	Average in R
Population group						
Black African	233,3	1 036,7	592,4	2 379,7	369,2	2 807,3
Coloured	94,0	2 441,0	63,7	1 982,9	135,9	6 431,7
Indian/Asian	20,1	1 309,8	13,5	1 134,0	23,6	3 233,0
White	333,4	2 953,5	272,5	2 543,0	1 043,9	9 432,8
Sex						
Male	485,8	1 920,2	803,5	2 768,7	1 137,0	6 385,1
Female	195,1	1 405,2	138,6	1 261,2	435,7	4 707,5
Lower bound poverty line						
Non-poor	671,5	-	928,2	-	1 570,2	-
Poor	9,4	-	13,9	-	2,4	-
Province						
WC	259,0	2 747,9	147,6	1 592,0	572,7	7 875,5
EC	33,9	1 359,6	46,7	2 037,8	10,1	1 324,8
NC	3,0	478,2	7,6	1 268,4	12,0	3 263,2
FS	16,1	1 624,3	16,8	1 233,2	5,7	1 013,9
KZN	53,2	743,3	83,0	1 431,3	110,3	4 180,3
NW	4,3	487,8	17,3	2 684,5	9,5	1 116,0
GP	254,5	1 963,1	529,3	3 317,1	804,7	6 832,6
MP	37,3	1 440,0	64,0	2 940,8	37,4	2 476,3
LP	19,5	950,4	29,8	1 558,8	10,2	777,9
RSA	680,9	1 737,7	942,1	2 354,6	1 572,7	5 811,4

Source: IES 2022/23

Table 4.3 above, presents the distribution of households' expenditure on sport equipment, sport clothes, shoes and lessons fees by population group and sex of the head of the household and province. In the 2022/23 financial year, households in South Africa spent R680,9 million on sport equipment and R942,1 million on sport clothes and shoes. On average, this translates to approximately R1 737,7 per household for sport equipment and R2 354,6 for sport clothes and shoes. Furthermore, in total, households incurred an expenditure of R1,5 billion on academic and sports training, inclusive of recreation fees. This translates to an average household spending of approximately R5 811,4.

White-headed households spent the most on sports equipment, training, and recreation fees. They spent R333,4 million on sports equipment and nearly one billion rands on training and related activities. Black African-headed households spent the most on sports clothing and shoes, totalling R592,4 million. In addition, male-headed households spent significantly more across all these categories than female-headed households.

Non-poor households account for the overwhelming share of spending on sports-related goods and services, allocating R671,5 million to sports equipment, R928,2 million to sports clothing and footwear, and R1 570,2 million to academic, physical training, sport, and recreation fees. In contrast, expenditure by poor households on these items is minimal, amounting to only R9,4 million on sports equipment, R13,9 million on sports clothing and shoes, and R2,4 million on academic, physical training, sport, and recreation fees. This stark disparity highlights the extent to which participation in organised sport and related activities remains strongly constrained by household income.

Provincial expenditure analysis reveals that Western Cape and Gauteng recorded the highest total spending on sports equipment, amounting to R259,0 million and R254,5 million, respectively. Furthermore, Gauteng exhibited the most substantial expenditure on sports clothes and shoes (R529,3 million), as well as on academic and sports training services, including recreational fees (R804,7 million).

Table 4.4: Distribution of households' expenditure on school bag/hand bag/travelling bag and study desks by population group and sex of the head of the household, household poverty status and province, 2022/23

	School bag/hand bag/travelling bag		Study desk	
	Total in R Million	Average in R	Total in R Million	Average in R
Population group				
Black African	5 639,7	736,4	89,0	1 078,0
Coloured	397,9	831,6	16,8	1 066,1
Indian/Asian	127,1	819,9	2,4	1 310,7
White	809,3	1 787,7	63,0	1 814,1
Sex				
Male	3 632,8	821,8	127,3	1 475,9
Female	3 341,2	772,6	43,9	903,4
Lower bound poverty line				
Non-poor	5 893,9	-	169,8	-
Poor	1 080,2	-	1,3	-
Province				
WC	954,3	1 186,1	49,9	1 565,9
EC	668,4	837,9	13,1	1 513,6
NC	86,3	639,6	5,2	3 200,1
FS	293,6	608,2	1,4	338,6
KZN	1 120,6	645,3	13,4	1 110,6
NW	332,9	605,5	9,6	1 043,6
GP	2 274,9	909,8	62,1	1 127,0
MP	685,5	845,6	6,5	1 554,4
LP	557,7	601,1	10,0	1 241,6
RSA	6 974,0	797,5	171,2	1 269,5

Source: IES 2022/23

Table 4.4 above, presents the distribution of household expenditure on school bag/hand bag/travelling bag and study desks by population group and sex of the head of the household, household poverty status and province. In the 2022/23 financial year, households in South Africa spent close to 7 billion rands on school or other bags and R171,2 million on study desks. On average, this translates to approximately R797,5 spent per household on bags and R1 269,5 on study desks. Furthermore, households headed by black Africans spent approximately R5,6 billion on bags, while male-headed households accounted for R3,6 billion in spending on these items. Gauteng and KwaZulu-Natal recorded the highest household expenditures on bags, at R2,3 billion and R1,1 billion respectively.

Expenditure patterns reveal pronounced disparities by poverty status. Non-poor households spent approximately R5 893,9 million on school and other bags, representing a level of expenditure about 5,5 times higher than that of poor households. By contrast, spending on study desks among poor households was negligible relative to non-poor households, underscoring significant differences in access to supportive learning resources within the home environment.

Table 4.5: Distribution of households' expenditure on textbooks and other books used by public and private schools, population group and sex of the head of the household, household poverty status and province, 2022/23

	Textbooks and other books used by public institutions		Textbooks and other books used by private institutions	
	Total in R Million	Average in R	Total in R Million	Average in R
Population group				
Black African	546,7	1 329,5	749,7	3 458,3
Coloured	89,9	1 502,5	43,5	3 204,0
Indian/Asian	20,3	2 233,6	64,0	10 404,0
White	148,3	5 152,6	27,9	7 315,6
Sex				
Male	454,4	1 919,7	308,2	3 147,3
Female	350,8	1 288,7	576,9	4 051,4
Lower bound poverty line				
Non-poor	7 427,3	-	7 880,0	-
Poor	625,1	-	971,1	-
Province				
WC	150,6	2 289,0	90,8	7 956,5
EC	42,3	1 017,0	42,9	6 337,8
NC	6,0	1 079,7	1,6	2 610,2
FS	114,8	1 496,4	300,8	2 618,9
KZN	186,7	1 081,5	210,6	3 518,0
NW	33,0	2 279,9	2,0	1 254,3
GP	172,7	1 778,4	156,9	5 072,7
MP	76,3	5 232,6	6,2	4 270,9
LP	22,8	1 114,2	73,1	5 725,9
RSA	805,2	1 582,2	885,1	3 683,0

Source: IES 2022/23

Table 4.5 above, shows the distribution of households' expenditure on textbooks and other books used by public and private schools, population group and sex of the head of the household and province. In 2022/23, South African households in total spent approximately R805,2 million on textbooks and other educational books for public education institutions, and R885,1 million on similar materials for private education institutions. This expenditure translates to an average of R1 582,2 per household for public education and R3 683,0 per household for private education. Although black African-headed households accounted for the largest share of spending on textbooks and related materials for public education institutions (R546,7 million), the highest average expenditure per household was observed among white-headed households (R5 152,6), followed by Indian/Asian-headed households (R2 233,6). Conversely, black African-headed households recorded the lowest average spending in this category (R1 329,5).

Of the R885,1 million spent by households on textbooks and other books for private education institutions, the largest share (R749,7 million) was attributed to black African-headed households, while the smallest share (R27,9 million) was recorded among white-headed households. The average expenditure per household on textbooks and other books for private education institutions was highest among Indian/Asian-headed households at R10 404,0 followed by white-headed households at R7 315,6. In addition, black African-headed households using private education institutions spent, on average, almost twice more on textbooks and other books compared to their counterparts who utilised public education institutions. For Indian/Asian-headed households, this difference was even more pronounced, with spending on private education books being almost five times higher than on public education books. Furthermore, female-headed households accounted for more than half of this expenditure, contributing R576,9 million.

In real terms, spending on textbooks and other books among poor households was markedly higher for private education institutions than for public institutions. Poor households spent an estimated R971,1 million on books in private institutions, exceeding the R625,1 million recorded for public institutions by R346,0 million, or approximately 55%. This substantial gap underscores persistent inequalities in households' capacity to finance essential learning materials. Despite their limited resources, poor households whose children attend private institutions incur book-related expenditures that are about one-and-a-half times higher than those incurred by their counterparts in public institutions, highlighting the greater financial burden associated with participation in private education.

Table 4.6: Distribution of annual household expenditure on reading material, stationery transport by population group and sex of the head of household, household poverty status and province, 2022/23

	Reading materials		Stationery		Transport	
	Total in R Million	Average in R	Total in R Million	Average in R	Total in R Million	Average in R
Population group						
Black African	960,9	636,0	3 950,3	761,2	10 435,1	6 334,3
Coloured	132,8	697,5	499,6	982,5	601,3	5 861,7
Indian/Asian	80,9	1 102,8	187,3	1 576,7	126,4	8 432,5
White	854,7	1 631,4	786,6	1 315,5	121,4	5 975,5
Sex						
Male	454,4	929,4	3 119,5	973,8	5 138,0	6 787,2
Female	350,8	803,9	2 304,4	717,5	6 146,3	5 977,2
Lower bound poverty line						
Non-poor	1 960,3	-	4 565,1	-	9 511,9	-
Poor	69,0	-	858,7	-	1 772,3	-
Province						
WC	496,7	1 193,5	795	996,3	1 223,1	7 418,2
EC	158,3	740,8	521,7	710,0	1 202,0	5 648,9
NC	25,7	688,2	132,8	809,8	218,7	7 784,5
FS	77,7	755,3	180,0	574,9	513,0	5 653,8
KZN	227,6	572,2	909,4	739,4	2 306,5	5 846,4
NW	113,8	1 116,9	267,7	751,0	654,9	7 493,0
GP	723,3	1 019,1	1 923,3	1 154,7	3 525,2	7 108,1
MP	92,1	674,9	376,3	750,0	749,7	5 312,3
LP	114,2	625,3	317,6	487,4	891,3	5 247,6
RSA	2 029,3	882,9	5 423,9	845,5	11 284,3	6 320,6

Source: IES 2022/23

Table 4.5 above, presents the distribution of annual household expenditure on reading material, stationery and transport by population group and sex of the head of household, household poverty status and province. In 2022/23, South African households allocated approximately R2 billion towards reading materials, R5,4 billion towards stationery and R11,3 billion towards transport. This expenditure corresponds to an average of R882,9 per household on reading materials, R845,5 per household on stationery and R6 320,6 per household on transport.

Black African-headed households recorded the highest total expenditure on reading materials at R960,9 million followed closely by white-headed households at R854,7 million. Although Indian/Asian-headed households incurred the lowest total spending on reading materials (R80,9 million), they reported the second-highest average expenditure per household at R1 102,8. At provincial level, households in Gauteng registered the highest total spending on reading materials (R723,3 million), while those in Northern Cape recorded the lowest (R25,7 million). However, households in Northern Cape (R688,2) spend on average more than those in KwaZulu-Natal, Mpumalanga and Limpopo on reading materials (R572,2, R674,9 and R625,3 respectively).

A similar trend was observed for stationery expenditure. Black African-headed households accounted for the highest total spending (R3 950,3 million) yet reported the lowest average expenditure per household (R761,2) compared to other population groups. Conversely, Indian/Asian-headed households recorded the lowest total spending on stationery (R187,3 million) but reported the second-highest average expenditure per household at R1 576,7. Male-headed households had the highest total expenditure on stationery (R3 119,5) compared to their female counterparts. Moreover, Gauteng had the highest expenditure on stationery (R1,9 billion) and the highest average household expenditure R1 154,7.

Transport accounted for the largest share of expenditure relative to the other items, reflecting both its essential nature and the spatial structure of households' daily activities. Expenditure was highly uneven across household and provincial characteristics. Black African-headed households absorbed the greatest transport cost burden in aggregate (R10,4 billion), while white-headed households accounted for a comparatively slight amount (R121,4 million), underscoring persistent socio-economic and spatial disparities. Female-headed households recorded higher total transport expenditures than male-headed households, likely reflecting a greater reliance on paid transport services and more complex travel patterns. Provincially, Gauteng dominated transport spending (R3,5 billion), followed by KwaZulu-Natal (R2,3 billion), reflecting higher urbanisation, economic activity, and commuting distances, while expenditure levels in the Eastern Cape and Western Cape were each approximately half of Gauteng's total.

4.3 Household expenditure on education fees

The primary determinant of household education expenditure varies by educational level; however, tuition and associated fees consistently represent the most significant cost component both globally and within South Africa. In the context of post-school education comprising universities, TVET and other colleges tuition constitutes the largest share of household spending, typically accounting for more than half of total education-related costs.

Similarly, for private ECD, pre-primary, primary, and secondary schooling, tuition remains the predominant expense. For students residing away from home, accommodation and subsistence costs often approach or exceed tuition expenses, particularly in urban areas where living costs are elevated. Furthermore, there is a notable and accelerating trend among households toward increased expenditure on supplementary education services, including tutoring and enrichment programs.

Table 4.7: Distribution of households' expenditure on public and private ECD institutions fees by population group and sex of the head of the household, household poverty status and province, 2022/23

	Public ECD institutions		Private ECD institutions	
	Total in R Million	Average in R	Total in R Million	Average in R
Population group				
Black African	523,2	3 181,8	1 304,9	14 986,6
Coloured	33,5	2 614,2	226,2	20 918,6
Indian/Asian	0,0	-	37,5	30 143,0
White	47,2	5 828,2	158,8	29 952,0
Sex				
Male	320,9	3 374,3	1 218,0	19 113,3
Female	283,0	3 135,6	509,4	12 514,1
Lower bound poverty line				
Non-poor	500,5	-	1 700,1	-
Poor	103,4	-	27,3	-
Province				
WC	47,6	3 181,7	389,1	26 286,2
EC	61,3	2 408,1	110,8	16 574,8
NC	1,3	3 686,3	2,2	2 547,4
FS	81,3	3 578,3	143,0	22 609,6
KZN	60,9	2 002,3	173,1	20 020,3
NW	18,3	1 604,9	22,7	7 036,5
GP	228,8	4 629,4	707,0	13 440,8
MP	44,8	2 253,4	59,7	10 084,0
LP	59,4	5 569,4	119,9	22 290,4
RSA	603,9	3 258,1	1 727,4	16 540,9

Source: IES 2022/23

Table 4.7 above, presents the distribution of households' expenditure on public and private ECD institutions fees by population group and sex of the head of the household, household poverty status and province in 2022/23. Overall, approximately R604 million was spent on attendance fees at public ECD institutions, representing approximately 26% of the total expenditure while private ECD institutions accounted for about R1,7 billion (close to 74% of the overall amount). This amount translates to R3 258,1 on average per households for public ECD institutions attendance fees and R16 540,9 for private ECD institutions.

In both public and private ECD institutions, households headed by black Africans recorded the highest aggregate expenditure on fees, amounting to R523,2 million for public institutions and R1,3 billion for private institutions. Conversely, the highest average fees per household were observed among White-headed households for public ECD institutions (R5 828,2) and among Indian/Asian-headed households for private ECD institutions (R30 143,0).

Expenditure on ECD institution fees is markedly skewed towards non-poor households across both private and public provision. In the private ECD sector, non-poor households accounted for R1 700,1 million of the total R1 727,4 million in fees, representing almost the entirety of private ECD expenditure, while spending by poor households was negligible in comparison. Although public ECD fees are lower and more accessible, expenditure remains disproportionately borne by non-poor households, which spent R500,5 million compared to R103,4 million spent by poor households. While the relative contribution of poor households is higher in public than in private ECD, the overall pattern underscores persistent socio-economic disparities in the ability to pay for early childhood education services, particularly in the private sector.

Provincial analysis of public ECD institution fee expenditure indicates that Gauteng recorded the highest total expenditure (R228,8 million), followed by Free State (R81,3 million). In contrast, the highest average public ECD fee expenditures per household were observed in Limpopo (R5 569,4), while the lowest were recorded in North West (R1 604,9). Moreover, Gauteng and Western Cape recorded the highest total private ECD fee expenditures, amounting to R707 million and R389,1 million respectively. In terms of average household private ECD fee expenditures, Western Cape ranked highest at R26 286,2, followed by Free State at R22 609,6.

The current spending distribution indicates a substantial reliance on private ECD institutions. This imbalance suggests limited government investment in public ECD services, potentially restricting access for children from low-income households and exacerbating inequalities in early learning opportunities. Furthermore, the dominance of private provision raises concerns about affordability and quality assurance, highlighting the need for stronger regulatory frameworks and increased public funding to ensure equitable access and improve developmental outcomes across all socio-economic groups.

Table 4.8: Distribution of households' expenditure on public and private primary education institutions fees by population group and sex of the head of the household, household poverty status and province, 2022/23

	Public primary institutions		Private primary institutions	
	Total in R Million	Average in R	Total in R Million	Average in R
Population group				
Black African	1 447,5	1 522,9	5 000,4	22 089,7
Coloured	233,9	2 138,2	946,8	34 238,0
Indian/Asian	48,9	2 451,1	1 142,9	52 269,1
White	190,2	2 666,4	4 860,4	54 028,8
Sex				
Male	1 089,6	1 973,4	8 662,1	37 089,4
Female	830,9	1 387,1	3 288,5	24 855,6
Lower bound poverty line				
Non-poor	1 738,4	-	11 867,8	-
Poor	182,1	-	82,8	-
Province				
WC	364,1	2 137,7	3 697,0	53 962,3
EC	219,4	1 321,4	837,3	24 165,5
NC	30,2	2 167,9	42,3	19 824,9
FS	149,1	1 736,2	398,0	23 023,2
KZN	263,2	1 323,5	1 073,1	32 444,0
NW	38,8	663,6	69,7	11 726,3
GP	628,4	2 360,9	4 596,1	30 082,0
MP	168,7	1 070,0	665,2	24 768,4
LP	58,7	1 731,5	571,9	23 237,6
RSA	1 920,5	1 668,3	11 950,6	32 665,3

Source: IES 2022/23

Table 4.8 above, presents the distribution of households' expenditure on public and private primary education institutions fees by population group and sex of the head of the household, household poverty status and province in 2022/23. Overall, approximately R1,9 billion was spent on attendance fees at public primary education institutions, while private primary education institutions accounted for about R12 billion. This amount translates to R1 668,3 on average per households for public primary education institutions attendance and R32 665,3 for private primary education institutions.

Private institutions fees dominate household spending in both ECD and primary school categories, with the gap significantly wider in primary education, private education fees expenditure is more than six times that of public, compared to roughly three times in ECD fees. The average cost of private primary education (R32 665,3) is nearly double that of private ECD services (R16 540,9), indicating a substantial increase in fees as children transition to primary schooling. Conversely, public ECD costs per household (R3 258,1) are almost twice the cost of public primary education (R1 668,3), suggesting that while private costs escalate with progression, public ECD services impose a relatively higher financial burden on households compared to public primary schooling.

Male-headed households spend significantly more on private primary school fees, approximately R8,7 billion compared to R3,3 billion spent by female-headed households. On average, this translates to R37 089,4 per male-headed household versus R24 855,6 per female-headed household.

Households headed by black Africans incurred the highest total expenditure on primary education fees across both public and private institutions at R1,5 billion for public institutions and R5,0 billion for private institutions. In comparison, white-headed households spent R190,2 million on public primary education, but their private education expenditure was almost equal to that of black African-headed households at R4,9 billion. However, on a per-household basis, white-headed households paid the most (R54 028,8), while black African-headed households paid the least among all population groups (R22 089,7) for private institutions education fees.

Similar to patterns observed for ECD fees, expenditure on public primary school fees is overwhelmingly borne by non-poor households. Of the total R1 920,5 million spent on public primary education fees, non-poor households contributed R1 738,4 million, accounting for approximately 90,5% of total expenditure, while poor households accounted for only R182,1 million, or about 9,5%.

An analysis of provincial expenditure on public and private primary education fees show that Gauteng recorded the highest total spending, with R628,4 million for public education fees and R4,6 billion for private education fees. Western Cape ranked second, spending R364,1 million on public primary education fees and R3,7 billion on private primary education fees. However, when looking at average private primary education fees per household, the pattern shifts: Western Cape leads with an average of R53 962,3, followed by KwaZulu-Natal at R32 444,0.

Table 4.9: Distribution of households' expenditure on public and private secondary education institutions fees by population group and sex of the head of the household, household poverty status and province, 2022/23

	Public secondary institutions		Private secondary institutions	
	Total in R Million	Average in R	Total in R Million	Average in R
Population group				
Black African	1 128,0	1 349,2	3 351,4	27 275,9
Coloured	244,2	2 281,9	986,8	30 619,2
Indian/Asian	37,0	2 899,7	549,6	43 451,0
White	147,2	2 941,6	4 882,5	67 630,7
Sex				
Male	829,8	1 797,7	7 853,5	49 506,7
Female	726,6	1 334,8	1 916,8	23 575,0
Lower bound poverty line				
Non-poor	1 377,9	-	9 744,7	-
Poor	178,4	-	25,6	-
Province				
WC	301,5	2 263,9	3 863,4	65 370,7
EC	209,6	1 263,7	503,6	27 799,9
NC	18,2	1 561,0	62,1	22 900,4
FS	99,3	1 405,0	147,4	18 732,4
KZN	314,1	1 498,3	334,1	22 349,0
NW	33,7	665,2	110,3	16 511,5
GP	423,1	2 182,1	4 016,6	36 917,1
MP	94,2	678,9	468,4	37 304,6
LP	62,8	1 982,8	264,2	28 862,4
RSA	1 556,3	1 547,2	9 770,2	40 719,6

Source: IES 2022/23

Table 4.9 above, presents the distribution of households' expenditure on public and private secondary education institutions fees by population group and sex of the head of the household, household poverty status and province in 2022/23. Overall, approximately R1,6 billion was spent on attendance fees at public secondary education institutions, while private secondary education institutions accounted for about R9,8 billion. This amount translates to R1 547,2 on average per households for public secondary education institutions attendance fees and R40 719,6 for private secondary education institutions fees.

Total households' expenditures on private secondary fee-based institutions were approximately six times higher than those on public secondary institutions. The total household expenditures on public and private secondary education fees were also lower than the total expenditures on public and private primary education fees. Similarly, the average household expenditure on public secondary education fees was lower than that for public primary education. However, the average household expenditure on private secondary education fees was higher than that for public primary education.

Male-headed households allocate substantially more to private secondary education fees, spending about R7,9 billion compared to R1,9 billion by female-headed households. On average, this equates to R49 506,7

per male-headed household, approximately 25% higher than the cost of private primary education (R37 089,4). In contrast, female-headed households spend R23 575,0 per household, which is about 5,4% less than their average expenditure on private primary education (R24,855,6).

Households headed by black Africans recorded the highest aggregate expenditure on public secondary education fees, amounting to R1,1 billion. Conversely, households headed by whites incurred the greatest expenditure on private secondary education fees, totalling R4,9 billion. When assessed on a per-household basis, white-headed households bore the highest average cost (R67 630,7), followed by Indian/Asian-headed households (R43 451,0).

Non-poor households spent R1 377,9 million on public secondary school fees, compared with R178,4 million among poor households. This difference largely reflects the fact that children from non-poor households are more likely to attend fee-paying secondary schools, whereas poor households tend to rely on no-fee public schools. The disparity therefore aligns with underlying differences in school choice and financial capacity.

An analysis of provincial expenditure on public and private secondary education fees indicates that Gauteng recorded the highest overall spending, consistent with its position for primary education fees. Gauteng households spent R423,1 million on public secondary education and R4,0 billion on private secondary education. KwaZulu-Natal ranked second in public secondary education expenditure at R314,1 million, while Western Cape ranked second for private secondary education fees, with total spending of R3,9 billion. Furthermore, when considering average private secondary education fees per household, Western Cape leads with an amount of R65 370,7.

Table 4.10: Distribution of households' expenditure on public and private TVET colleges fees by population group and sex of the head of the household, household poverty status and province, 2022/23

	Public TVET colleges		Private TVET colleges	
	Total in R Million	Average in R	Total in R Million	Average in R
Population group				
Black African	611,8	8 335,6	1 197,0	28 660,3
Coloured	40,3	8 853,1	117,4	14 962,6
Indian/Asian	*	*	*	*
White	7,0	4 299,6	168,8	28 371,0
Sex				
Male	449,1	8 652,7	1 130,5	29 744,0
Female	232,4	8 041,1	503,5	24 165,1
Lower bound poverty line				
Non-poor	654,3	-	1 634,0	-
Poor	27,2	-	-	-
Province				
WC	67,1	8 433,9	58,1	8 656,3
EC	34,3	7 602,2	153,9	33 768,0
NC	4,0	5 589,0	13,1	12 806,8
FS	68,3	7 268,3	119,3	32 764,8
KZN	163,3	5 591,0	773,7	41 690,7
NW	*	*	*	*
GP	225,9	2 383,3	368,0	22 246,9
MP	8,9	8 181,1	1,2	1 220,1
LP	104,0	6 403,3	146,6	21 571,3
RSA	681,5	9 021,4	1 634,0	27 768,6

Source: IES 2022/23 Note: *Estimates could not be derived due to low number of households

Table 4.10 above, shows the distribution of household expenditure on fees for public and private TVET colleges, broken down by population group, sex of the household head, household poverty status and province for 2022/23. In total, households spent approximately R682 million on public TVET college attendance, compared to about R1,6 billion on private TVET colleges. On average, this equates to R9 021,4 per household for public TVET colleges and R27 768,6 per household for private TVET colleges. The total expenditure on private TVET colleges was approximately two times greater than on public colleges. The difference suggests that private colleges may either have higher fees, attract more students, or both. It also highlights a significant gap in affordability and access between public and private TVET education.

Male-headed households allocated substantially higher expenditures toward private TVET institutions, amounting to approximately R1,1 billion, compared to R503,5 million by female-headed households. On a

per-household basis, this translates to an average of R29 744 for male-headed households versus R24 165,1 for female-headed households. In contrast, the average tuition fees at public TVET institutions remain relatively comparable across household types (R8 652,7 for male-headed households and R8 041,1 for female-headed households). These figures suggest that public TVET colleges are generally more accessible and affordable for both household categories, potentially attracting a greater proportion of female-headed households due to their lower cost structure. Conversely, the significantly higher aggregate and per-household spending by male-headed households on private TVET institutions may indicate a stronger preference or greater financial capacity to enrol in these higher-cost educational options.

Overall, households headed by black Africans are likely to incur higher total TVET tuition fees compared to other population groups, for both private and public TVET institutions. Furthermore, non-poor households are likely to incur higher total TVET tuition fees compared to poor households, for both private and public TVET institutions.

An examination of provincial expenditure on public and private TVET tuition fees reveals notable variations across provinces. Gauteng recorded the highest total expenditure on public TVET tuition, amounting to R225,9 million, followed by KwaZulu-Natal with R163,3 million. With respect to private TVET education fees, KwaZulu-Natal reported the highest overall expenditure, totalling R773,7 million, and also the highest average household payment of R41 690,7. Although Eastern Cape ranked third in total private TVET expenditure, it recorded the second-highest average household payment at R33 768,0.

Table 4.11: Distribution of households' expenditure on public and private tertiary education institutions fees by population group and sex of the head of the household, household poverty status and province, 2022/23

	Public tertiary institutions		Private tertiary institutions	
	Total in R Million	Average in R	Total in R Million	Average in R
Population group				
Black African	4 869,9	26 660,9	2 387,3	31 768,9
Coloured	395,3	30 516,7	441,3	41 276,0
Indian/Asian	698,8	68 894,2	629,0	69 959,4
White	2 013,9	52 114,7	870,7	28 863,7
Sex				
Male	4 808,2	33 031,6	3 004,5	32 144,4
Female	3 169,8	32 070,2	1 323,8	41 991,0
Lower bound poverty line				
Non-poor	7 958,8	-	4 328,3	-
Poor	19,3	-	0,0	-
Province				
WC	933,9	46 094,1	601,0	27 931,6
EC	712,3	52 916,5	154,9	51 403,0
NC	14,5	12 619,5	27,9	25 246,7
FS	971,8	44 208,1	293,0	46 843,0
KZN	403,4	15 363,8	255,4	35 675,8
NW	335,7	27 375,8	91,3	16 386,0
GP	3 863,2	33 178,7	2 779,7	38 837,0
MP	373,9	19 436,1	5,9	5 500,0
LP	369,2	27 653,4	119,0	15 415,9
RSA	7 978,0	32 642,8	4 328,3	34 627,9

Source: IES 2022/23

Table 4.11 above, shows the distribution of household expenditure on fees for public and private tertiary education institutions, broken down by population group, sex of the household head, household poverty status and province for 2022/23. In total, households spent approximately R8 billion on public tertiary education fees, compared to about R4,3 billion on private tertiary education institutions fees. On average, this amounts to R32 642,8 per household for public tertiary institutions and R34 627,9 per household for private tertiary institutions. Household expenditure on public tertiary institutions was twice as high than on private institutions. This is because public tertiary education institutions typically have much higher enrolment compared to private institutions. Public institutions also have often lower tuition fees and financial aid such as the NSFAS, making them more accessible to a larger portion of the population.

Similarly, to TVET institutions, male-headed households allocate substantially higher total expenditures toward private tertiary institutions, approximately R3 billion, compared to R1,3 billion by female-headed households. However, on a per-household basis, female-headed households spend more, averaging R41 991,0 per household versus R32 144,4 for male-headed households. In contrast, the average tuition fees at

public tertiary institutions remain relatively comparable across household types (R33 031,6 for male-headed households and R32 070,2 for female-headed households).

Overall, households headed by black Africans tend to incur the highest total tertiary tuition fees across both private and public institutions. However, on a per-household basis, Indian/Asian-headed households bear the highest average cost for tuition at both private and public tertiary institutions.

Private tertiary institution fees are borne almost exclusively by non-poor households. Total annual households' expenditure on private tertiary fees amounted to R4 328,3 million among non-poor households, while poor households reported zero expenditure (R0,0). This stark contrast indicates that access to private tertiary education is effectively out of reach for poor households, reflecting deep affordability constraints and the strong income-based segmentation of the private higher education sector.

An examination of provincial expenditure on public and private tertiary tuition fees reveals notable variations across provinces. Gauteng recorded the highest total expenditure on both public and private tuition fees amounting to R3,9 billion and R2,8 billion respectively.

4.4 Households expenditure on education services by income quintiles

Higher-income households incur higher tuition charges, private school premiums, and additional expenses for tutoring, sports equipment, technology, and internet connectivity. Lower-income households spend very little on education in absolute terms. Their expenditure is mainly limited to essential items such as school uniforms, footwear, basic stationery, and compulsory charges like exam or registration fees. This section examines households' consumption expenditure on education services, both in total and on average, across income per capita quintiles.

Table 4.12: Total and average households consumption expenditure by education services and income per capita quintiles, 2022/23

Total in R million						
Education Services	Quintile 1	Quintile 2	Quintile 3	Quintile 4	Quintile 5	RSA
Early childhood and primary education	558,7	1 058,0	1 321,0	2 398,0	10 866,7	16 202,4
Secondary education	236,5	478,7	762,7	1 096,8	8 751,9	11 326,6
Post-secondary non-tertiary education	88,5	435,0	366,8	377,2	1 048,0	2 315,6
Tertiary education	167,4	596,4	495,6	2 486,1	8 560,8	12 306,3
Other education	43,1	102,6	58,3	67,8	622,6	894,4
Total	1 094,2	2 670,8	3 004,3	6 425,9	29 850,1	43 045,2
Average in R						
Early childhood and primary education	131,3	248,5	310,3	563,3	2 554,0	761,3
Secondary education	55,6	112,4	179,1	257,6	2 057,0	532,2
Post-secondary non-tertiary education	20,8	102,2	86,2	88,6	246,3	108,8
Tertiary education	39,3	140,1	116,4	584,0	2 012,1	578,2
Other education	10,1	24,1	13,7	15,9	146,3	42,0
Total	257,1	627,2	705,7	1 509,4	7 015,8	2 022,5

Source: IES 2022/23

Table 4.12 presents the total and average household consumption expenditure on education services, disaggregated by income per capita quintiles. Post-secondary non-tertiary education consist of short cycle tertiary education with NQF levels 5 and 6 including occupational certificates. Overall, households in the lowest income quintile (Quintile 1) spent approximately R1,1 billion on education services, whereas those in the highest income quintile (Quintile 5) allocated close to R30 billion. For both income groups, the largest share of expenditure was directed toward ECD and primary education, amounting to R558,7 million for Quintile 1 and R10 866, 7 million for the highest quintile. The significant gap in education spending between the poorest and richest households is primarily driven by differences in income and affordability. Low-income households have limited disposable resources, which constrains their ability to allocate funds for education beyond basic requirements, while wealthier households have greater financial flexibility to invest in premium

services. This disparity is further reinforced by access to private education, as high-income households often choose private schools and ECD facilities that charge substantially higher fees, motivated by perceptions of better quality and enhanced facilities.

Table 4.13: Total and average households' consumption expenditure on education services by head of households' population group and income per capita quintiles, 2022/23

Population group	Total in R million					
	Quintile 1	Quintile 2	Quintile 3	Quintile 4	Quintile 5	RSA
Black African	1 052,9	2 448,3	2 468,0	4 310,5	11 917,6	22 197,3
Coloured	37,7	207,0	433,4	531,7	2 500,3	3 710,0
Indian/Asian	4,9	59,9	568,5	2 732,9		3 366,0
White	3,6	10,6	43,1	1 015,1	12 699,4	13 771,8
Total	1 099,1	2 725,7	3 512,9	8 590,3	27 117,2	43 045,2
Average in R						
Black African	247,4	575,0	579,7	1 012,5	2 801,0	1 043,0
Coloured	8,9	48,6	101,8	124,9	587,6	174,3
Indian/Asian	1,1	14,1	133,5	641,9	-	158,2
White	0,8	2,5	10,1	238,4	2 984,8	647,1
Total	257,1	257,0	705,7	1 509,4	7 015,8	2 022,5

Source: IES 2022/23 Note: Total do not add up to similar numbers due to missing values

Table 4.13 above, presents the total and average household consumption expenditure on education services, disaggregated by population group of the head of the households and income per capita quintiles. The disparity in educational expenditure between black African-headed households in the lowest and highest income quintiles highlights significant inequities in access to quality education. While households in the lowest quintiles collectively spent only R1,1 billion on education services, those in the highest quintiles allocated R11,9 billion, reflecting a tenfold difference. At the individual black African household level, the gap is equally stark: average spending per household in the lowest income category was approximately R247,4, compared to R2 801 among the wealthiest households. This imbalance suggests that children from poorer households are likely to experience limited access to educational resources, such as private tutoring, better-equipped schools, and extracurricular opportunities, which are often associated with improved learning outcomes.

Table 4.14: Total and average households' consumption expenditure on education services by head of households' highest level of education and income per capita quintiles, 2022/23

Highest level of education	Total in R million					
	Quintile 1	Quintile 2	Quintile 3	Quintile 4	Quintile 5	RSA
No schooling	24,3	31,5	50,5	1,1	-	107,4
Some primary	128,8	243,8	276,3	111,7	66,3	827,0
Completed primary	47,5	43,9	78,7	49,7	33,1	252,9
Some secondary	440,1	934,5	764,5	934,2	2 127,5	5 200,7
Grade 12/Matric	355,1	1 058,6	1 242,4	2 655,3	5 064,0	10 375,3
Post-secondary	98,5	358,5	592,0	2 673,8	22 559,2	26 281,9
Total	1 094,2	2 670,8	3 004,3	6 425,9	29 850,1	43 045,2
Average in R						
No schooling	5,7	7,4	11,9	0,3	-	5,0
Some primary	30,3	57,3	64,9	26,2	15,6	38,9
Completed primary	11,2	10,3	18,5	11,7	7,8	11,9
Some secondary	103,4	219,5	179,6	219,4	500,0	244,4
Grade 12/Matric	83,4	248,6	291,8	623,7	1 190,2	487,5
Post-secondary	23,1	84,2	139,0	628,0	5 302,2	1 234,9
Total	257,1	627,2	705,7	509,4	7 015,8	2 022,5

Source: IES 2022/23

Table 4.14 above, examines household expenditure on education services in relation to the educational attainment of household heads and household income distribution. The analysis highlights disparities in spending patterns and their implications for equity and access to education. Household heads with no formal education recorded the lowest expenditure on education services, amounting to approximately R107,4

million. In contrast, those with some secondary education spent about R5,2 billion, while households headed by individuals who completed secondary education incurred about R10,4 billion, and those with post-secondary qualifications R26,3 billion.

Among households headed by individuals with post-secondary education, spending was highly concentrated in the upper income quintiles (Quintiles 4 and 5), which accounted for R25,2 billion of the total R26,3 billion. This indicates a strong association between higher educational attainment and income level, with wealthier households disproportionately contributing to education expenditure.

Data indicates pronounced inequalities in education expenditure, which are strongly correlated with both household income and levels of educational attainment. Higher-income households consistently allocate a substantially greater share of resources to education, enabling access to better-quality institutions and supplementary learning opportunities. Conversely, lower-income households face significant financial constraints, often limiting educational investment to the most basic requirements. These disparities are further compounded by differences in attainment, as individuals with higher education levels tend to invest more in their children's education, perpetuating intergenerational advantages. Such patterns underscore the dual influence of socioeconomic status and educational background in shaping access to quality education, thereby reinforcing existing inequalities within the system.

Table 4.15: Total and average households' consumption expenditure by province, geography type and income per capita quintiles, 2022/23

Province	Total in R million					RSA
	Quintile 1	Quintile 2	Quintile 3	Quintile 4	Quintile 5	
WC	53,6	176,2	474,2	610,3	9 299,1	10 613,4
EC	148,5	224,3	387,5	715,5	1 543,6	3 019,3
NC	3,7	7,5	10,7	65,7	129,0	216,5
FS	60,4	452,4	181,0	370,3	1 449,2	2 513,3
KZN	192,8	474,0	351,2	761,0	2 096,4	3 875,3
NW	46,7	150,6	75,8	194,7	320,8	788,7
GP	491,3	767,0	1 140,9	3 035,3	12 709,1	18 143,6
MP	68,4	138,1	119,5	529,9	1 089,4	1 945,2
LP	28,8	280,7	263,5	143,4	1 213,5	1 929,9
Settlement type						
Urban	799,2	2 070,4	2 629,2	5 895,8	28 929,7	40 324,3
Traditional	286,9	571,4	341,6	475,5	344,5	2 020,0
Farms	8,1	28,9	33,6	54,5	575,9	701,0
Total	1 094,2	2 670,8	3 004,3	6 425,9	29 850,1	43 045,2
	Average in R					
WC	12,6	12,6	111,4	143,3	2 185,6	498,7
EC	34,9	34,9	91,0	168,1	362,8	141,9
NC	0,9	0,9	2,5	15,4	30,3	10,2
FS	14,2	14,2	42,5	87,0	340,6	118,1
KZN	45,3	45,3	82,5	178,7	492,7	182,1
NW	11,0	11,0	17,8	45,7	75,4	37,1
GP	115,5	115,4	268,0	713,0	2 987,1	852,5
MP	16,1	16,1	28,1	124,5	256,0	91,4
LP	6,8	6,8	61,9	33,7	285,2	90,7
Settlement type						
Urban	187,8	486,2	617,6	1 384,9	6 799,5	1 894,7
Traditional	67,4	134,2	80,2	111,7	81,0	94,9
Farms	1,9	6,8	7,9	12,8	135,3	32,9
Total	257,1	257,0	705,7	1 509,4	7 015,8	2 022,5

Source: IES 2022/23

Table 4.15 above, examines household expenditure on education services by province, geography type and household income distribution. The province with the lowest expenditure on education services was the smallest province, Northern Cape, at approximately R216,5 million, followed by North West, at about R788,7 million. Across all provinces, households in quintiles 4 and 5 accounted for at least two-thirds of total education service expenditure. In Western Cape, Northern Cape, and Gauteng, this share reached as high

as 90%. Moreover, urban areas contributed the largest portion of overall spending across all quintiles, followed by traditional areas. An exception was observed in Quintile 5, where farm areas represented the second-highest level of expenditure.

Geographic factors also play a role, as wealthier households are concentrated in urban areas where private institutions are more accessible, while poorer households often reside in rural regions with limited options. Public provision and subsidies reduce costs for low-income households, making public education their primary choice, while cultural and social factors among high-income groups reinforce the preference for premium education as a status symbol and a pathway to elite opportunities. Together, these factors explain why the richest households spend nearly thirty times more on education services than the poorest.

4.5 Summary and conclusion

This chapter showed the expenditure pattern for ECD had a significant imbalance with close to R603,9 million spent on public ECD fees and close to R1,7 billion spent on private ECD fees. Heavy reliance on private provision restricts access for low-income households, perpetuates inequality in early learning opportunities, and raises concerns about affordability and quality. Average household costs further highlight these disparities. Private primary education were nearly twenty times more expensive than public schooling, while private ECD costs were about five times higher than those of public institutions. Public ECD fees per household were almost double those for public primary education, whereas private costs rise sharply from ECD to primary schooling.

Provincial expenditure patterns add another layer of complexity. Gauteng leads in both public and private education spending, reflecting its larger population and higher concentration of urban households, which typically have greater access to private schooling options. Western Cape records the highest average private education fees per household, suggesting a strong preference for private schooling, likely influenced by perceptions of quality and socio-economic factors. KwaZulu-Natal, in contrast, shows substantial public education expenditure, indicating a reliance on public schooling that may stem from affordability constraints or limited private school infrastructure.

The analysis demonstrates a strong association between household head educational attainment, income level, and expenditure on education services. Without targeted interventions, these disparities may continue to reinforce existing inequalities.

Chapter 5: Summary and Conclusion

5.1 Introduction

The United Nations Educational Scientific and Cultural Organization (UNESCO) recommends that countries spend 4 to 6% of GDP or 15 to 20% of total government expenditure on education. The South African government allocated a significant share (close to 21% of the total expenditure in 2024/25) to education services, which rose from 20% in 2015/16. Total government education expenditure as a percentage of GDP was 6,7% in 2024/25 which rose from 6,3% in 2015/16. However, this expenditure is not sufficient to cover the increased need for access to ECD, higher enrolment in secondary and tertiary education as well as access to education tools. Households still pay large amounts for fees (especially for private schools), it suggests public funding may not fully cover the cost of quality education, leading to inequality.

5.2 Public funding of the education sector

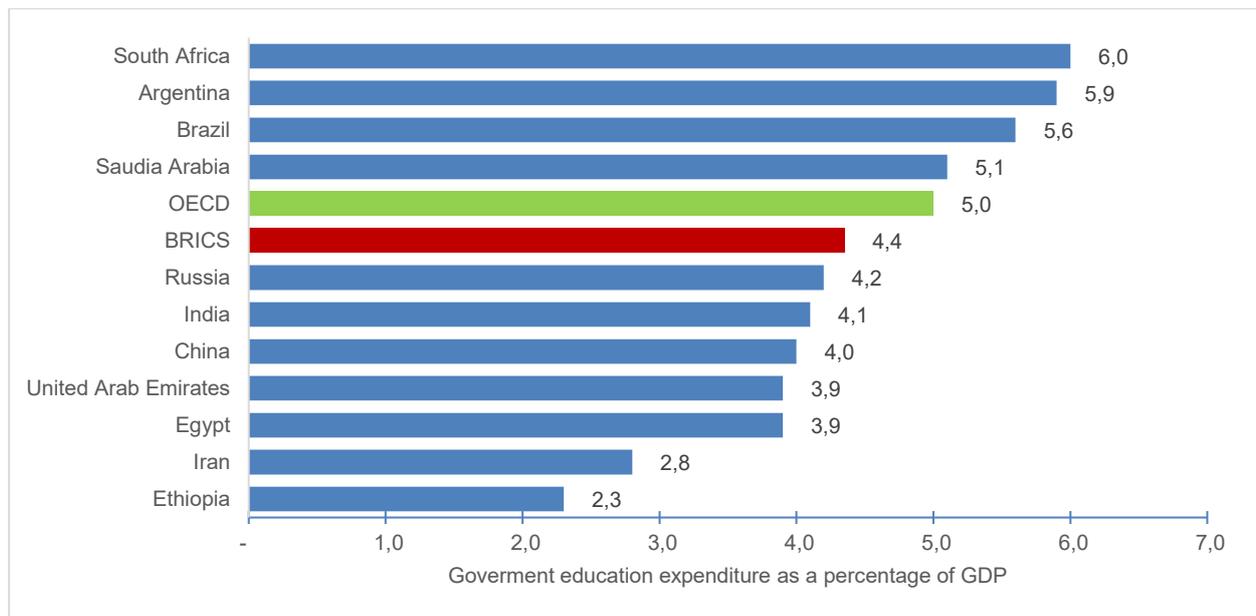
In the 2024/25 financial year, basic education accounted for approximately 72,1% of the total education budget, with the majority of these funds allocated to public schools which generally serve the majority of learners from low-income households, this does promote equity by ensuring access to foundational education.

The heavy reliance on public provision means that underfunding disproportionately impacts disadvantaged learners. If these funds remain inadequate to address infrastructure gaps, teacher shortages, and persistent quality disparities between urban and rural schools, equity challenges will continue. Notably, the share of infrastructure development funding declined from 6,1% in 2015/16 to 5,0% in 2024/25, partly to accommodate the expansion of ECD funding, which increased from 1,8% to 3,3% over the same period.

Increasing investment in ECD promotes long-term equity by improving access to early learning opportunities, particularly for children from disadvantaged households. Research consistently shows that quality ECD programs enhance school readiness, reduce future learning gaps, and improve life outcomes. Thus, the growth in ECD funding aligns with equity objectives by targeting the foundational stage of education. Conversely, reducing infrastructure funding may exacerbate disparities in basic education. Many rural and township schools still face inadequate facilities, overcrowded classrooms, and poor sanitation. Underfunding infrastructure perpetuates quality gaps between well-resourced urban schools and under-resourced rural schools, limiting the effectiveness of basic education despite its large share of the budget.

Similarly, the higher education budget was predominantly allocated to tertiary education, accounting for approximately 76,5% of the total allocation. While this concentration of resources supports students who have successfully completed secondary schooling, it tends to favour those from higher-income households. This pattern risks deepening inequality because access to tertiary education remains constrained for poorer students due to barriers such as inadequate academic preparation, high living expenses, and limited financial aid. Moreover, students in the “missing middle”, those whose household income disqualifies them from accessing NSFAS funding but who cannot afford the full cost of tuition and living expenses, face significant challenges in accessing tertiary education. This group often falls through the cracks of existing funding mechanisms, further reinforcing disparities in educational attainment.

Figure 5.1: Total government expenditure education as a percentage of GDP for BRICS and OECD countries



Source: World Bank data

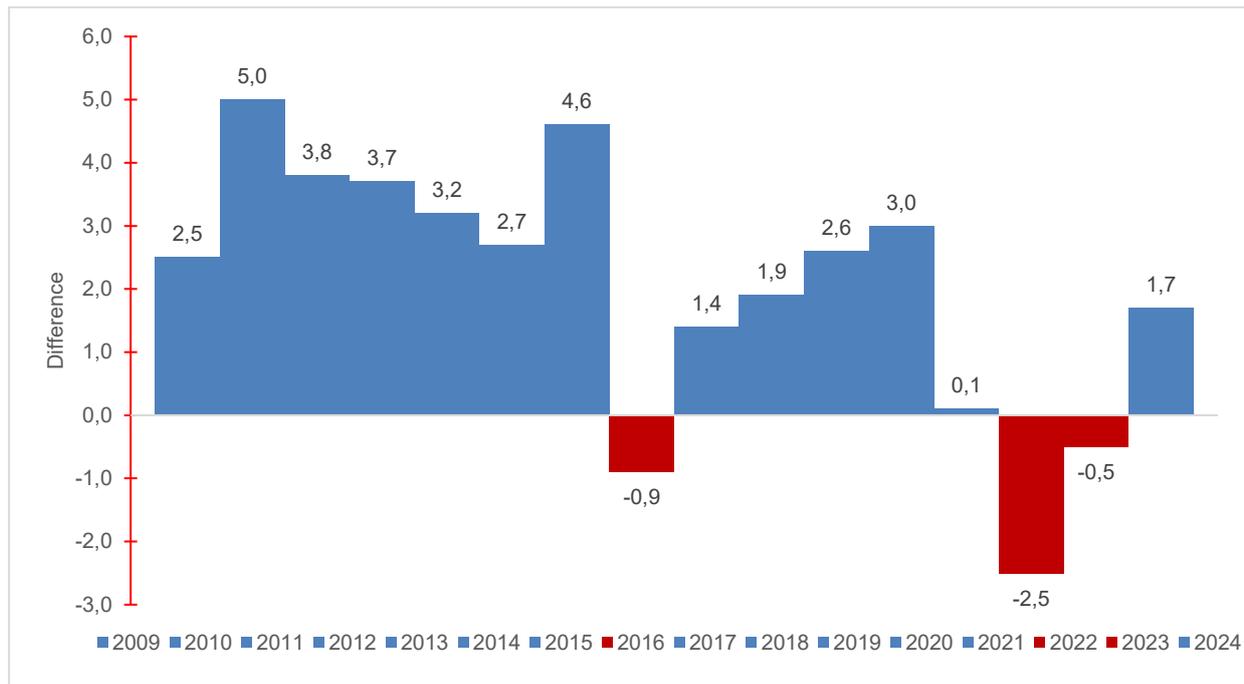
Note: Brazil (2022); Russia (2023); India (2022); China (2023); South Africa (2024); Argentina (2023); Egypt (2015); Iran (2023); Ethiopia (2024); Saudi Arabia (2023); United Arab Emirates (2021); OECD (2022); BRICS (varied).

Figure 5.1 above, presents total government expenditure education as a percentage of GDP for BRICS and OECD countries based on World Bank estimates. World Bank estimates of public education expenditure as a share of GDP for South Africa are lower than those presented in this report. According to World Bank data, South Africa allocates the highest proportion of GDP to education among BRICS and extended countries and exceeds the OECD average, indicating a comparatively strong public commitment to education relative to economic size. In contrast, China’s latest figure is approximately 4%, which is below the OECD average and similar to India’s level. Despite China’s substantial absolute spending, its education allocation remains modest when measured as a percentage of GDP. Among the new BRICS entrants, Argentina records a ratio above the combined BRICS average and close to the OECD level, reflecting relatively high prioritisation of education in relation to its economic output.

5.3 Growing educational costs

Household education expenditure is primarily driven by institutional fees, which constitute the largest share of costs, followed by essential items such as uniforms, stationery, and textbooks. Additional expenses, including transport and living costs, further compound the financial burden. These components collectively exhibit a persistent upward trend, with annual increases that consistently outpace the growth of household income. This divergence suggests a widening affordability gap, where education costs escalate faster than earnings, potentially constraining access to quality education for lower-income households and amplifying socioeconomic disparities over time. Brazil’s share sits near the OECD average, second only to South Africa among the BRICS.

Figure 5.2: Gap between education inflation and CPI headline year-on-year rates, 2009–2024



Source: CPI 2025

Figure 5.2 above, illustrates the year-on-year difference between education inflation and the headline CPI over a 16-year period. For most of this period, education inflation exceeded the CPI headline rate. However, in 2016, 2022, and 2023, education inflation was lower than the CPI, with gaps of 0,9 , 2,5 and 0,5 percentage points respectively. The largest positive gap occurred in 2010, when education inflation was five percentage points higher than CPI, followed by 2015 with a difference of 4,6 percentage points. The spike in 2010 likely reflects significant fee increases by educational institutions, driven by rising operational costs and limited government subsidies, as well as the economic context following the global financial crisis. Similarly, the 2015 gap of 4,6 percentage points may be attributed to above-average tuition hikes, particularly in higher education, amid growing student enrolment and increased demand for private schooling. The only notable narrowing of the gap occurred in 2021, when education inflation and CPI moved closer together, likely due to pandemic-related constraints on fee increases and cost containment measures by institutions during COVID-19, while general inflation began to rise due to supply chain disruptions and economic recovery pressures.

Overall, these trends indicate that education costs have generally risen faster than the prices of other goods and services, placing increasing pressure on household budgets. Periods of sharp divergence, such as 2010 and 2015, would have significantly eroded affordability, particularly for low- and middle-income households, and may have deepened inequalities in access to quality education.

5.4 Households expenditure on education

The persistent trend of education inflation exceeding general price increases has profound effects on household budgets. When education costs rise faster than other goods and services, families are compelled to allocate a growing share of their income to education. This often results in reduced affordability, particularly for households with limited income, as education becomes increasingly expensive.

To manage these rising costs, households frequently make trade-offs by cutting back on other essential expenditures such as food, healthcare, and housing. These compromises can negatively affect overall well-being and quality of life. Furthermore, the sustained increase in education costs tends to widen inequality, as wealthier households are better positioned to absorb these expenses and maintain access to private schooling and supplementary services, while poorer households face restricted choices and diminished opportunities.

In response to these pressures, some households adjust their consumption patterns by shifting to public institutions or reducing spending on non-essential education-related items such as extracurricular activities and private tutoring. These changes can influence educational outcomes and long-term prospects. Overall, the continued gap between education inflation and general inflation places mounting pressure on household finances, with serious implications for equity, access, and social mobility.

Table 5.1: Distribution of households' expenditure on school uniform, footwear, textbooks and stationary by population group and sex of the head of the household, household poverty status and province, 2022/23

Total in R million						
Population group	School uniform and footwear	Sport equipment/clothes and training	Textbooks and other books	Stationary and reading materials	Transport	Total
Black African	12 221,6	1 194,9	1 296,4	4 911,2	10 435,1	30 059,2
Coloured	1 157,9	293,6	133,4	632,4	601,4	2 818,7
Indian/Asian	323,7	57,2	84,3	268,2	126,4	859,8
White	1 051,3	1 649,80	176,2	1 641,3	121,4	4 640,0
Sex						
Male	7 456,3	2 426,3	762,6	3 573,9	5 138,0	19 357,1
Female	7 298,2	769,4	927,7	2 655,2	6 146,3	17 796,8
Lower bound poverty line						
Non-poor	11 280,3	3 169,9	15 307,3	6 525,4	9 511,9	45 794,9
Poor	3 474,1	25,7	1 596,1	927,7	1 772,3	7 796,0
Province						
WC	1 563,3	979,3	241,4	1 291,70	1 223,10	5 298,80
EC	1 618,4	90,7	85,2	680,0	1 202,00	3 676,30
NC	290,3	22,6	7,6	158,5	218,7282	697,73
FS	841,1	38,6	415,6	257,7	512,96	2 065,96
KZN	2 636,2	246,5	397,3	1 137,0	2 306,51	6 723,51
NW	649,7	31,1	35	381,5	654,87	1 752,17
GP	4 489,8	1 588,5	329,6	2 646,6	3 525,18	12 579,68
MP	1 270,0	138,7	82,5	468,4	749,65	2 709,25
LP	1 395,5	59,5	95,9	431,8	891,25	2 873,95
RSA	14 754,4	3 195,7	1 690,3	7 453,2	11 284,26	38 377,36
Percentage						
Population group						
Black African	40,7	4,0	4,3	16,3	34,7	100,0
Coloured	41,1	10,4	4,7	22,4	21,3	100,0
Indian/Asian	37,6	6,7	9,8	31,2	14,7	100,0
White	22,7	35,6	3,8	35,4	2,6	100,0
Lower bound poverty line						
Non-poor	24,6	6,9	33,4	14,2	20,8	100,0
Poor	44,6	0,3	20,5	11,9	22,7	100,0
Sex						
Male	38,5	12,5	3,9	18,5	26,5	100,0
Female	41,0	4,3	5,2	14,9	34,5	100,0
Province						
WC	29,5	18,5	4,6	24,4	23,1	100,0
EC	44,0	2,5	2,3	18,5	32,7	100,0
NC	41,6	3,2	1,1	22,7	31,3	100,0
FS	40,7	1,9	20,1	12,5	24,8	100,0
KZN	39,2	3,7	5,9	16,9	34,3	100,0
NW	37,1	1,8	2,0	21,8	37,4	100,0
GP	35,7	12,6	2,6	21,0	28,0	100,0
MP	46,9	5,1	3,0	17,3	27,7	100,0
LP	48,6	2,1	3,3	15,0	31,0	100,0
RSA	38,4	8,3	4,4	19,4	29,4	100,0

Source: IES 2022/23

Table 5.1 above, presents the distribution of households' expenditure on school uniform and footwear by population group and sex of the head of the household, household poverty status and province for 2022/23. In 2022/23, households spent approximately R38,4 billion in total on education-related materials. Of this amount, uniforms accounted for the largest share at 38,4%, followed by transport at about 29% and stationary and reading materials at nearly 19%. Sports-related items represented roughly 8%, while textbooks and other books comprised the remaining 4%.

The distribution of expenditure on education-related materials by population group reveals notable disparities. Black African-headed households allocate the largest share of their spending to uniforms, accounting for approximately 40,7% compared to only 22,7% among white-headed households. In contrast, white-headed households devote a higher proportion to stationery at nearly 35%, while black African-headed households spend about 16,3% on this category. Furthermore, among black African-headed households, the second highest proportion was allocated to transport (34,7%) while it accounted only for 2,6% among white-headed households. Sports-related equipment and training represent the highest share among white-headed households at 35,6%, compared to just 4% among black African-headed households.

Gender differences also emerge in spending patterns. Female-headed households concentrate most of their expenditure on uniforms (41%) and transport (34,5%), with smaller shares directed to stationery and reading materials (14,9%) and sports-related items (4,3%). Male-headed households, by comparison, allocate relatively more to stationery and sports-related equipment and clothing.

Expenditure patterns among poor households indicate that uniforms account for the largest share of spending, with approximately 44,6% of households allocating resources to this item. This is followed by transport (22,7%) and textbooks (20,5%). In contrast, non-poor households display a different distribution of priorities: one-third spend on textbooks, a quarter allocate expenditure to uniforms, and nearly 21% spend on transport. Notably, close to 7% of non-poor households incur costs on sports equipment and related clothing, compared to only 0,3% among poor households.

Provincial patterns in household expenditure on education-related materials reveal significant variations. In Western Cape, only 29,5% of spending is allocated to uniforms, and close to 19% on sport equipment, clothes and training, making it the province with the highest share devoted to sports-related items. In contrast, Free State and North West recorded the lowest proportions of spending on sports equipment and related clothing.

These patterns point to broader dynamics in household education expenditure. Among lower-income and female-headed households, spending is concentrated on compulsory items such as uniforms, indicating binding affordability constraints and the prioritisation of essential schooling requirements, including transport-related costs. In contrast, the relatively higher expenditure on sports and supplementary learning materials observed among white-headed and male-headed households reflects greater discretionary capacity. This divergence in spending profiles may contribute to unequal access to educational enrichment activities, with implications for the depth and quality of learners' overall educational experiences.

Table 5.2: Distribution of households' expenditure on ECD, primary and secondary education fees by population group and sex of the head of the household, household poverty status and province, 2022/23

Total in R million				
Population group	ECD institutions fees	Primary institutions fees	Secondary institutions fees	Total
Black African	1 828,1	6 447,9	4 479,4	12 755,4
Coloured	259,7	1 180,7	1 231,0	2 671,4
Indian/Asian	37,5	1 191,8	586,6	1 815,9
White	206,0	5 050,6	5 029,7	10 286,3
Sex				
Male	1 538,9	9 751,7	8 683,3	19 973,9
Female	792,4	4 119,4	2 643,4	7 555,2
Lower bound poverty line				
Non-poor	2 200,7	13 606,2	11 122,6	26 929,5
Poor	130,7	264,9	204,0	599,5
Province				
WC	436,7	4 061,1	4 164,9	8 662,7
EC	172,1	1 056,7	713,2	1 942,0
NC	3,5	72,5	80,3	156,3
FS	224,3	547,1	246,7	1 018,1
KZN	234,0	1 336,3	648,2	2 218,5
NW	41,0	108,5	144,0	293,5
GP	935,8	5 224,5	4 439,7	10 600,0
MP	104,5	833,9	562,6	1 501,0
LP	179,3	630,6	327,0	1 136,9
RSA	2 331,3	13 871,1	11 326,5	27 528,9
Percentage				

Population group					
Black African	14,3	50,6	35,1	100,0	
Coloured	9,7	44,2	46,1	100,0	
Indian/Asian	2,1	65,6	32,3	100,0	
White	2,0	49,1	48,9	100,0	
Sex					
Male	7,7	48,8	43,5	100,0	
Female	10,5	54,5	35,0	100,0	
Lower bound poverty line					
Non-poor	8,2	50,5	41,3	100,0	
Poor	21,8	44,2	34,0	100,0	
Province					
WC	5,0	46,9	48,1	100,0	
EC	8,9	54,4	36,7	100,0	
NC	2,2	46,4	51,4	100,0	
FS	22,0	53,7	24,2	100,0	
KZN	10,5	60,2	29,2	100,0	
NW	14,0	37,0	49,1	100,0	
GP	8,8	49,3	41,9	100,0	
MP	7,0	55,6	37,5	100,0	
LP	15,8	55,5	28,8	100,0	
RSA	8,5	50,4	41,1	100,0	

Source: IES 2022/23

Table 5.2 presents the distribution of household expenditure on ECD, primary, and secondary education fees by population group, sex of the household head, household poverty status and province for 2022/23. Of the total household spending on basic education fees, which amounted to approximately R28 billion, nearly half (50,4%) was allocated to primary education, while 41,1% went to secondary education and the remaining 8,5% to ECD fees. Households headed by Indian/Asian individuals devoted about two-thirds of their fee expenditure to primary education and roughly one-third to secondary education, reflecting a strong emphasis on early schooling. In contrast, white-headed households exhibited a balanced allocation between primary and secondary education fees (49,1% versus 48,9%), suggesting equal prioritisation of both phases.

Additionally, female-headed households spend proportionally more on primary school and ECD fees compared to their male counterparts. This may indicate a stronger focus on foundational education among women-led households, but it could also reflect the use of ECD services as a form of childcare to support work and household responsibilities. This dual role of ECD both educational and caregiving highlights the socioeconomic pressures faced by female-headed households and the importance of affordable early childhood services.

The provincial distribution of household education expenditure reveals notable deviations from the national average, with important implications for equity. In Free State, households allocated approximately 22% of their education spending to ECD fees, significantly higher than the national average of 8,5%. Conversely, only 24,2% was directed toward secondary education fees, well below the national benchmark of 41,1%. Western Cape, Northern Cape, and Mpumalanga recorded ECD expenditure shares lower than the national average, at 5%, 2,2%, and 7% respectively. In contrast, Western Cape and Northern Cape exhibited the highest proportions of household spending on secondary schooling fees, at 48,1% and 51,4%, respectively, with North West also exceeding the national average at 49,1%.

These patterns suggest uneven access and prioritisation across provinces. Higher ECD spending in Free State may indicate greater investment in early learning, which can improve long-term educational outcomes, but the relatively low share for secondary schooling could signal affordability constraints or limited availability of fee-paying secondary schools. Conversely, provinces with very low ECD expenditure, such as Northern Cape and Western Cape, risk perpetuating early learning gaps, particularly for children from disadvantaged households. The concentration of spending on secondary education in wealthier provinces may reflect better access to fee-paying schools, reinforcing disparities in educational quality and opportunities. Overall, these variations highlight the need for targeted interventions to ensure that early learning and secondary education are equitably accessible across all provinces, regardless of household income or geographic location.

Table 5.3: Distribution of households' expenditure on post-school education fees by population group and sex of the head of the household, household poverty status and province, 2022/23

Total in R million			
Population group	TVET institutions fees	Tertiary institutions fees	Total
Black African	1 808,8	7 257,2	9 066,0
Coloured	157,7	836,6	994,3
Indian/Asian	173,4	1 327,8	1 501,2
White	175,8	2 884,6	3 060,4
Sex			
Male	1 579,6	7 812,7	9 392,3
Female	735,9	4 493,6	5 229,5
Lower bound poverty line			
Non-poor	2 288,4	12 287,1	14 575,50
Poor	27,2	19,3	46,50
Province			
WC	739,6	1 534,9	2 274,5
EC	221,0	867,2	1 088,2
NC	47,4	42,4	89,8
FS	123,3	1 264,8	1 388,1
KZN	842,0	658,8	1 500,8
NW	163,3	427,0	590,3
GP	373,8	6 642,9	7 016,7
MP	227,1	379,8	606,9
LP	155,5	488,2	643,7
RSA	2 315,5	12 306,3	14 621,8
Percentage			
Population group			
Black African	20,0	80,0	100,0
Coloured	15,9	84,1	100,0
Indian/Asian	11,6	88,4	100,0
White	5,7	94,3	100,0
Sex			
Male	16,8	83,2	100,0
Female	14,1	85,9	100,0
Lower bound poverty line			
Non-poor	15,7	84,3	100,0
Poor	58,5	41,5	100,0
Province			
WC	32,5	67,5	100,0
EC	20,3	79,7	100,0
NC	52,8	47,2	100,0
FS	8,9	91,1	100,0
KZN	56,1	43,9	100,0
NW	27,7	72,3	100,0
GP	5,3	94,7	100,0
MP	37,4	62,6	100,0
LP	24,2	75,8	100,0
RSA	12,4	87,6	100,0

Source: IES 2022/23

Table 5.3 above, presents the distribution of households' expenditure on post-school education fees by population group and sex of the head of the household, household poverty status and province. In 2022/23, households spent approximately R14 billion on post-school education fees. Of this amount, nearly 12% (around R1,8 billion) was directed to TVET colleges, while the remaining 87,6% (about R12,3 billion) was allocated to other tertiary education institutions. A notable variation emerges across population groups: households headed by black African individuals devoted roughly one-fifth of their fee expenditure to TVET education and the rest to other tertiary institutions. In contrast, white-headed households allocated only about 6% of their education spending to TVET colleges, with an overwhelming share going to other tertiary institutions. Spending patterns among coloured and Indian/Asian-headed households were broadly aligned with the national averages.

The differences in household spending on TVET versus other tertiary education institutions largely reflect variations in income levels, educational aspirations, and perceived returns on investment. Households headed by black African individuals tend to allocate a higher share of their post-school education budget to TVET colleges because these institutions are generally more affordable and offer vocational programs that

provide quicker entry into the labour market. This pattern is often associated with financial constraints and the need for cost-effective education pathways. In contrast, white-headed households spend a significantly smaller proportion on TVET education, favouring universities and other tertiary institutions. This preference is linked to higher household incomes, greater access to financial resources, and a stronger emphasis on academic qualifications that are perceived to yield higher long-term earnings. Coloured and Indian/Asian-headed households exhibit spending patterns closer to the national average, suggesting a balance between affordability and aspirations for university education.

Poor households allocate a significantly larger share of their tertiary education spending to TVET college fees, with 58,5% directed to TVET institutions compared to 41,5% for other tertiary institutions. Among non-poor households, the pattern is markedly different. Only 16% of their tertiary-related spending goes to TVET tuition, while the overwhelming majority (84,3%) is channelled towards other tertiary education fees, reflecting substantial differences in access to and preferences for higher education pathways across income groups.

Provincial patterns reveal significant disparities in the allocation of post-school education fees. In KwaZulu-Natal, more than half of household expenditure on post-school education (approximately 56,1%) was directed toward TVET college fees. In contrast, Gauteng and Free State exhibited a strong preference for other tertiary education institutions, with 94,7% and 91,1% of their respective spending allocated to these institutions. KwaZulu-Natal's strong preference for TVET colleges can be explained by the province's relatively large population with significant income disparities, making cost-effective education options more appealing. Additionally, the province has a well-established network of TVET institutions¹⁴, increasing accessibility and reinforcing this spending pattern. Gauteng, as the economic hub of South Africa, attracts households that prioritise university education for upward mobility and professional careers and a concentration of universities, which are perceived to offer greater prestige and long-term economic returns. Similarly, Free State, despite being smaller, hosts major universities that dominate the post-school education landscape, shaping household preferences toward tertiary institutions rather than vocational training.

5.5 Conclusion

South Africa dedicates a substantially higher share of its total government expenditure to education (21%) compared to the OECD average (11–12%)¹⁵. In terms of GDP allocation, South Africa's education funding (6,7%) also exceeds the OECD average (5% in 2022).

In the 2024/25 financial year, basic education absorbed approximately 72,1% of the total education budget. This allocation underscores the government's commitment to sustaining access to foundational learning; however, it also raises concerns about equity in higher education. A disproportionate focus on basic education, without complementary measures such as targeted bursaries, bridging programmes, and infrastructure investment in underserved schools, risks widening the gap between low- and high-income learners.

Household spending patterns reinforce this imbalance. According to the 2022/23 IES, total household consumption expenditure on education services reached R43 billion. Of this amount, R27,5 billion was directed toward ECD, primary, and secondary education, while R2,3 billion was spent on post-secondary non-tertiary education. Collectively, these categories accounted for 68,3% of total household education expenditure, reflecting the dominance of basic education costs. In contrast, tertiary education services absorbed R12,3 billion, representing 28,6% of the total. This distribution highlights the dual challenge of affordability and access at the higher education level, particularly for households with limited financial resources.

The report highlights notable variations in household expenditure patterns, suggesting that priorities differ across provinces, population groups, the gender of the household head and poverty status. These differences are shaped by factors such as income levels, school requirements, and access to extracurricular opportunities. For instance, the relatively low share of spending on uniforms in Western Cape may indicate a greater allocation of resources toward enrichment activities, reflecting higher discretionary income or broader access to such programmes. Conversely, the limited investment in sports-related expenses in provinces such as Free State and North West could point to affordability constraints or a lack of organised sporting opportunities, underscoring disparities in both financial capacity and access to non-academic development.

¹⁴ KwaZulu-Natal has 9 public TVET colleges, the highest number in the country.

¹⁵ World Bank: [Government expenditure on education, total \(% of GDP\) - OECD members | Data](#)

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