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Briefing Paper on Private Post-School Education in South Africa

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LABOUR MARKET
INTELLIGENCE PARTNERSHIP

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Preface

One of the gravest economic challenges facing South Africa is high unemployment, but at the same time, a skills mismatch. The market demand for skilled labour is greater than the number of individuals completing post-school education and training. Prospective employers often complain that the education system does not give individuals the necessary skills to be productive in the workplace, or to start their own enterprises.

Government acknowledges that the unemployment crisis is a systematic problem and cannot be addressed by ad hoc interventions scattered across line departments. With this 'big picture' thinking in mind, DHET aims to create broad and equitable access to a full spectrum of post-school opportunities and lifelong learning encompassing adult education and training, workplace training, the FET college system, artisan and technical training, higher education and innovation.

DHET's ability to create these learning opportunities requires a network of partners to gather and maintain a labour market intelligence system. Such a system can provide analytical insights to support policies and intervention programmes.

In February 2012, therefore, DHET commissioned a HSRC led research consortium to support its capacity to create and maintain a labour market information and intelligence system, guided by the national Delivery Agreement 5. The primary focus is the development of a 'strategic intelligence capability' towards the establishment of 'a credible institutional mechanism for skills planning'. The HSRC coordinated research project is organised in terms of six interlocking research themes, two which focus on labour market information and four which focus on labour market intelligence:

- Theme 1. Establishing a foundation for labour market information systems in South Africa
- Theme 2. Skills forecasting: the supply and demand model (*a Wits EPU project*)
- Theme 3. Studies of selected priority sectors
- Theme 4. Reconfiguring the post-schooling sector
- Theme 5. Pathways through education and training and into the workplace
- Theme 6. Understanding changing artisanal occupational milieus and identities

The consortium made a strategic decision that their research must not duplicate or repeat existing research about the challenges facing South Africa's education and training system and labour markets. Their research must address gaps, promote synergies and explore complementarities.

Hence, as a first step, working papers were commissioned to inform the research agenda for each theme. Although the working papers cover different issues, each has four common dimensions: policy challenges to institutionalise and build a post-school education and training system in South Africa, lessons from seminal national and international research, conceptual frameworks, methodological issues and data challenges raised by this research, and potential research gaps.

One of the HSRC led consortium's goals is to create a living community of practice that researches and debates education, skills and labour market issues. These working papers were presented at a conference in May 2012 to start building such a research network.

The dissemination of these working papers is intended to encourage more individuals to join the research community. We look forward to individuals' comments. They can be emailed to agoldstuck@hsrc.za.za. Welcome to the research community!

Theme 1:	Theme 3:	Theme 4:	Theme 5:	Theme 6:
Establishing a foundation for labour market information system in South Africa	Studies of selected priority sectors	Reconfiguring the post-schooling sector	Pathways through education and training into the workplace	Understanding changing artisanal occupational milieus and identities
Simon McGrath Some international reflections on developing VET indicators	Haroon Bhorat and Morne Oosthuizen Studies of Selected Priority Sectors in the South African Labour Market: A Proposed Research Programme	Andre Kraak Private post-school education in South Africa	Michael Cosser Pathways through education and training and into the labour market	Angelique Wildschut Conceptualising the study of artisans
Phil Toner Establishing a foundation for labour market information systems in South Africa	Peter Jacobs and Tim Hart A critical review of the research on skills development in rural areas	Andre Kraak Differentiation in the post-school sector	Pundy Pillay Pathways through education and training and into the workplace: a concept paper	Jeanne Gamble Models and pathways to institutionalise apprenticeships
Anthony Gewer Developing a framework for institutional planning and monitoring in FET Colleges	Shirin Motala A critical review of research on skills development and labour market demand in the early childhood development sector	Joy Papier et al Contemporary issues in public FET colleges	Sharlene Swartz Navigational capacities for youth employment: A review of research, policies, frameworks and methodologies	
Carmel Marock Developing a framework for understanding SETA performance: Monitoring and evaluating their role in skills planning, steering and enabling a supply within their sector	Thembinkosi Twalo A comparative review of skills development in cooperatives	Veronica McKay A critical review on Adult Basic Education (ABET) in South Africa	Fiona Lewis Traffic jams or trees – how are South African youth progressing through the higher education sector? And what lessons can we learn from current studies?	
Bongiwe Mncwango Towards a demand side firm level survey of labour information in South Africa	Margaret Chitiga and Stewart Development of a national skills forecasting model	Thenjiwe Meyiwa and Nolutho Diko The state of graduate teacher transitions to the labour market	Stephanie Alais Jobs? What jobs? Skills? What skills? An overview of studies examining relationships between education and training and labour markets	

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Michael Cosser and Fabian Arendse Education and labour market indicators	Imraan Valodia Conceptualising skills development in the informal sector	Felix Maringe An overview of studies exploring systemic issues related to the South African post-school sector		
Joan Roodt National database sets and research on labour market demand		Peliwe Lolwana Is post-school education adult education and training? The shape and size of post-school education		
Mariette Visser National database sets available for post school sector (supply side)		Michelle Buchler A critical review of research on skills development qualifications structures		
Michael Gastrow Innovation, skills development and South African labour market intelligence		Volker Wedekind Towards responsiveness and employability in the post-school sector		

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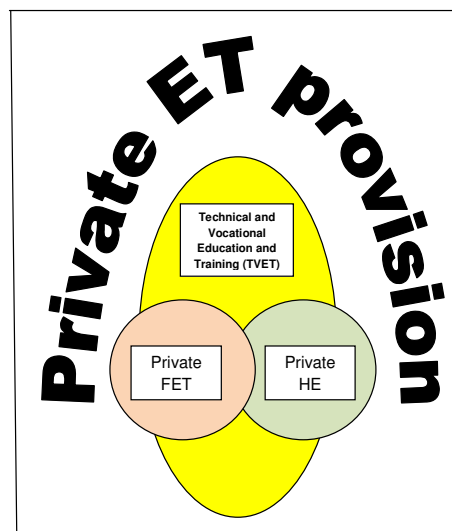
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ABSTRACT

This monograph notes the explosion of private post-school provision globally during the past two decades. It then provides a brief outline of Human Sciences Research Council (HSRC) research work done on private post-school education and training in South Africa almost a decade ago. The current information picture is disturbing – almost no new research work is being done and published locally. One tentative conclusion drawn from the existing (yet sketchy) information available is that growth has been flat if not in decline over the past decade – a probable result of the curtailment enacted during the Asmal educational administration between 1999-2004. The paper then shifts to identify a number of key issues in private provision which require further investigation, research and policy deliberation. The case of nurses is highlighted as an important example of intermediate skilling successfully executed by the private sector. The greater utilization of public-private partnerships (PPPs) in education and training requires further deliberation and research. In addition, the paper suggests that the private sector may aide the process of differentiating the post-school sector more effectively than is currently the case. The paper argues for the need to re-think (politically) the contributions of the private sector to national development, and in particular, the need to understand the inter-dependencies between the public and private sectors more clearly. And finally, a number of possible future research proposals are identified.

Post-school private education and training in this paper comprises private Further Education and Training (FET) and higher education (HE), although its overlap with the wider world of technical and vocational education and training (TVET) is touched on. However, a detailed exposition of the latter sector, excluded here, is the focus of a separate Briefing Paper.

BOX ONE:



GLOBAL EXPLOSION OF PRIVATE POST SCHOOL PROVISION

The history of private education globally is best understood in terms of the pre-1980s and post-1980s period. Prior to 1980, many education institutions had been established 'privately' or 'independently', mainly by the churches (take for example the large number of Catholic Universities world-wide) but some were also established through corporate endowments or through the initiatives of eminent citizens.

This philanthropic period ended in the 1980s with the rapid liberalization of markets with many areas of public provision deregulated and opened up for private investments. Education and health – as key public services - were heavily deregulated by governments the world over during this period. Such deregulation was a consequence of the economic restructuring which took root in almost all capitalist societies during the 1980s. Interest in private education was now not merely a philanthropic activity, but also a potential business investment.

As a consequence of these dramatic changes in the structure of global society, many private 'for-profit' universities began to emerge across the globe. Some are elite universities offering PhDs and undertaking high-order research, whilst others are mainly career-oriented post-school, pre-degree institutions. The latter group caters to a massive demand for education driven by a belief that increased post-school education will lead to improved employability in a rapidly changing world economy. The scale of this transformation of the higher education landscape worldwide has been phenomenal.

Today, some 30 percent of global higher education enrolment is in the private sector. Growth has taken place mostly in the developing and post-communist countries (Altbach *et al*, 2009: 79-80). Bjarnason *et al* (2009) categorise private sector growth per global region in the following way:

Table 1: Private higher education enrolment by region: a few examples

	0-10%	>10<35%	>35<60%	>60<80%
Developing countries	Cuba, South Africa	Egypt, Kenya	India, Malaysia	Brazil, Indonesia
Developed countries	Germany, New Zealand	Hungary, United States	(none)	Japan, Republic of Korea

Source: Bjarnason *et al*, 2009: 8

East Asia is the region with the most dramatic growth. Private post-school education provision in Indonesia, Japan, the Philippines and the Republic of Korea comprises over 70 per cent of all learners. Malaysia is around 50 per cent and India is at 30 per cent. Similarly in Latin America, private provision in most countries is approaching 47 percent, with five countries exceeding 50 percent [Brazil, Chile, Costa Rica, El Salvador and Peru] (Bjarnason *et al*, 2009: 9). In contrast, growth in Sub-Saharan Africa is relatively small, with Mozambique, Ethiopia, Tanzania, Egypt and Kenya approaching the 20 percent mark in what are mostly very small post-school systems (Bjarnason *et al*, 2009: 13).

Although the sector is highly heterogenous and difficult to classify, and at risk of over-simplifying, there are essentially four types of institution in the private post-school education sector:

1. '*Identity institutions*' which are largely religious, sometimes ethnic or gendered (for example, women's colleges).

2. *'Elite and Semi-Elite'* institutions, with many American universities dominating the top tier (the elite category). However, the private sector plays a greater role in the 'semi-elite' category globally. Below the very top tier, semi-elite private universities compete with a set of good but not top-tier public universities. Bangladesh, Pakistan, Poland, Thailand, and Turkey are examples of where this is the case. Altbach *et al* argue that much of 'Latin America has elite private universities that attract the best-prepared students over the public universities' (Altbach *et al*, 2009: 84). Key characteristics of these semi-elite institutions include: a focus on good practical teaching; recruitment of the most accomplished graduates of the secondary schooling system. They often develop 'niche' institutions concentrating on a given field of study or on a cluster of related fields, especially business. Most are explicitly job oriented (Altbach *et al*, 2009: 84).
3. *'Demand-absorbing Institutions'* are distinctly not 'elite'. They arise because student demand for access to higher education has exceeded the supply of slots available at public institutions. Altbach *et al* argue there are two sub-categories of these institutions: 'dubious' and 'serious'. Many dubious institutions are 'denounced aggressively and the criticism is often valid but sometimes applicable to low-level public institutions as well' (Altbach *et al*, 2009: 85). Yet, beyond the noise of the criticism, there are many non-elite institutions that are 'serious' about education, responsible, and job oriented. They are well managed and may even show certain traits of semi-elite institutions. They tend to enrol comparatively disadvantaged students (Altbach *et al*, 2009: 85).
4. *The 'For-Profit Sector' sector*: Most for-profit institutions can be subsumed into the non-elite category. They are not academically elite institutions, though some may have semi-elite characteristics. Many for-profits are exploitative institutions, taking advantage of unmet demand and delivering a poor-quality education (Altbach *et al*, 2009: 86). There are some global corporate brands operating in this category: The Laureate Group; several 'University of Phoenix' affiliated institutions); and the Kaplan and Corinthian College brands. Many are family owned and operate like large corporate entities. They often establish profitable cross-border partnerships with private partners in other countries. The sector is run on a business model, with power and authority concentrated in boards and chief executives. There is no professoriate as in the public system (Altbach *et al*, 2009: 86).

Case studies of differing countries reveal the very different impact private higher education has had worldwide. For example, private higher education in Chile has expanded at a rapid pace since the 1980s. Currently there are 63 universities and 163 non-university, post-secondary institutions. Just under 75% of these universities are private, as are all the non-university tertiary institutions (Bernasconi, 2005: 250). One private university in particular stands out as excellent - the Pontificia Universidad Catolica. Started as a Catholic university in 1988, it has transformed itself from a mostly teaching institution to a research-oriented university, responsible for one-fourth of Chile's mainstream scientific output and 40% of all PhDs awarded nationally (Bernasconi, 2005: 247).

Similarly, there has been a dramatic growth in private higher education in Brazil. The number of undergraduates in private higher education institutions has increased by 84% since 1998 and the private sector now comprises 70% of total enrolment (McCowan, 2004: 453-454).

Brazil has a small number of elite public universities. Students at these institutions are almost exclusively from the upper socio-economic levels (71% of students are from the top quintile of family income). There is a low representation of the African Brazilian population and these public universities are concentrated mainly in the wealthier South-Eastern and Southern regions (McCowan, 2004: 458).

Brazilian students are required to write an entrance exam to get into public universities. The likelihood that students from poor families will pass the exam are very low, since they have normally had inferior pre-university education. McCowan comments that 'the cruel irony of Brazilian higher

education is that the majority of the free higher education places are filled by students from wealthy backgrounds who have been able to afford private primary and secondary schooling' (McCowan, 2004: 459). The majority of students attending fee-paying private higher education in Brazil are therefore learners from poorer socio-economic backgrounds. Most are accommodated in the smaller profit-making non-university tertiary institutions which absorb at low cost the large numbers unable to find a place in public universities. They are not like the public universities in that few offer higher degrees such as PhDs and they do no research. McCowan cites several indicators which suggest that the quality of tuition is inferior to that of the best public universities (Mc Cowan, 2004: 468).

There have definitely been some gains made with the proliferation of private higher education across the globe in the 1980s and 1990s. Among the positives are increased access to higher education for the poor, and a focus on pre-degree career-oriented intermediate-level training. Amongst the negatives are quality problems, high fees, and the irony particularly in Latin America that it is the rich who get free public higher education, and the poor who must pay for access to a more career focused intermediate level post-school education. Some but not all of these trends are evident in South Africa.

OVERVIEW OF RESEARCH ON POST-SCHOOL PRIVATE EDUCATION AND TRAINING IN SOUTH AFRICA

THE RESEARCH CONTRIBUTION OF THE HSRC, 2000-2005

This section summarises results from the most comprehensive body of work published on private post-school provision in South Africa to date - that being the research work published by researchers associated with the HSRC in the period 2000-2005. The key HSRC texts are: Kraak and Kruss [Eds] (2002); Subotsky, in Kraak and Perold [Eds] (2003); Kruss (2004); Akoojee (2005); and finally, Mabizela (2000 and 2005).

A brief overview of the history of private education provision both within South Africa and internationally is presented here with the purpose of foregrounding some of the critical issues which arise in public debates about private provision today. The discussion will attempt a non-partisan and independent overview of the core issues.

The first observation derived from a historical perspective is that public and private provision are inter-related in ways not fully appreciated by the protagonists on each side of the ideological divide around private provision. In a nutshell, it can be said that many public education institutions today, particularly universities but also colleges and schools, were initially private institutions in the first years after their establishment. For example, the first higher education institutions in South Africa were initiated either by private citizens or by the Anglican and Dutch Reformed Churches. These initiatives were focused on the formation of private schools that offered matriculation and preparation for study in European universities for the children of the colonial elite. For example, the South African College, founded in Cape Town in 1829, was at first a private institution but became a publicly-funded institution in 1873 when it became known as the University of the Cape of Good Hope. In 1918 it was transformed yet again and renamed the University of Cape Town. Natal and Rhodes Universities had similar trajectories (Mabizela, 2000).

A parallel development occurred within the white Afrikaans community and was driven by their Dutch Reformed faith. Two theological schools were started in Burgersdorp and Stellenbosch in 1863 and 1869 respectively. These early religious initiatives ultimately led to the formation of the University of Stellenbosch in 1916 and the University of Potchefstroom for Christian Higher Education in 1951.

The pursuit of economic interests in the late 1800s further consolidated these initial processes. The discovery of gold on the Witwatersrand in the 1880s led to the formation of the Transvaal Technical Institute in 1904. This college ultimately split, with its two satellite campuses becoming what are today known as the Universities of Witwatersrand and Pretoria in 1921 and 1930 respectively (Mabizela, 2000).

Table 2: Origins and fate of the pioneering higher education institutions in South Africa

College	Founders	Year founded	Year incorporated	Year granted university status	Current status
South African College	Private initiative	1829	1837	1918	University of Cape Town
Diocesan College	Church of England	1848	--	Subsumed by the University of Cape Town in 1911	
St. Andrew's College (which became Rhodes University College)	Church of England	1856	1916	1951	Rhodes University
Pietermaritzburg High School (which became University College and later Natal University College)	Natal government	1863	1916	1949	University of Kwa-Zulu Natal
Theological School of Burgersdorp	Dutch Reformed Church	1869	1921	1951	University of the North West
Huguenot Seminary at Wellington	Dutch Reformed Church	1874	1916	Became part of the Theology Faculty at the University of Stellenbosch	
Transvaal Technical Institute (which became the Transvaal University College)	Witwatersrand Council of Education (an independent body)	1904	1916	1921	University of the Witwatersrand
				1930	University of Pretoria
South African Native College (which became the University College of Fort Hare)	Missionaries and other individuals	1916	1923	1970	University of Fort Hare

Sources: Mabizela, 2000

Private initiatives also occurred within the Technikon environment. In 1946, a Mr M.L. Sultan, prominent Indian businessman in Durban, donated funds for the establishment of a technical college for Indians. In 1946 it became a state institution. Similarly, the Mangosutho Buthelezi Technikon was established in 1979 through funding from the Anglo American Chairman's Fund at the request of then homeland leader, Gatsha Buthelezi.

What all of these historical examples tell us is that the histories of public and private education institutions are deeply intertwined, with 'private' or 'independent' initiative being the critical factor in their establishment. Without this trigger, many such institutions many not have been started by the state or may have been significantly delayed in their emergence. This institutional genesis – private initiative followed by incorporation within the state – is not precluded in the present period. That is, a private initiative which begins today could evolve into a state institution in twenty years' time. This trajectory has occurred several times in the history of private and public education in South Africa and nothing precludes it from happening again in the current period.

PRIVATE EDUCATION IN THE 1990s AND EARLY 2000s

South Africa displays the growth spurt in private education during the 1980s and 1990s that has occurred globally, including in higher education. However, contrary to international trends, it appears as if growth in South Africa has been constrained and restricted over the past decade, particularly in higher education.

In a 2001 study, Subotzky noted that there were 86 registered private higher education institutions offering either their 'own' programmes (certificated by the private institution) or 'other' programmes (certificated largely by public higher education institutions in South Africa). His data indicated a total of 84 778 students – 29 937 headcount enrolments in 'own' programmes certificated by the registered institution in 2001. In addition, 54 841 headcounts were reported in 'other' programmes, that is, in programmes certificated by other (South African public) institutions. Of the 86 reporting institutions, 22 were involved in such public-private partnerships (Subotzky, 2003: 422).

Of the reported 84 778 students involved in private higher education programmes in these institutions, 48 per cent were at NQF Level 5 and below (the intermediate strata of qualifications which are post-school and pre-degree), with a further 46 percent at NQF Level 6 (the university bachelors degree level).

CURRICULUM ORIENTATION AND INSTITUTIONAL PURPOSE

Kruss (2004) provides the first systematic account and analysis of private higher education in South Africa. Building on work done internationally (and in particular, by Levy and Altbach who were cited earlier in this text) she identifies four types of institutions that operate in private higher education in South Africa. These are:

1. Transnational institutions, which are foreign higher education institutions operating in South Africa
2. Franchising colleges, which act as tuition centres for public distance education providers
3. Technical vocational education and training (TVET) institutions, which provide post-school, pre-degree intermediate level education at the National Qualifications Framework (NQF) Level 5 and 6; and lastly
4. Corporate classrooms, which serve as lifelong learning centres developed by large companies to train their own staff. (Kruss, 2004)

Kruss elaborates on the demand for private provision which emanates from these specific institution contexts. She develops a two-type classification of demand for private provision. The one set of providers aim to meet a demand for 'different' education, which in the South African case takes the

form of specialised provision of vocational higher training in niche areas at the intermediate level, aiming to extend access to job opportunities. The other set of providers aim to meet a demand for 'better' education, which takes the form of exclusive, high-status, university-like provision oriented to global mobility.

The main thrust of Kruss's argument is that the four institutional types of private higher education fulfil either a demand for 'better' or for 'different' education and training. For example, transnational institutions and franchising colleges tend to offer high status, university-like degree courses, and many of them aspire to the status of universities. Their programmes are offered in a limited range of relatively low-cost professional fields, particularly business and management. Very importantly, the institutions extend the promise of international recognition of their qualifications, utilising the lure of international mobility – attractive to those previously advantaged (Kruss, 2004).

In contrast, the vision and values of TVET institutes and corporate classrooms are quite different. These institutions offer programmes in a range of professional and vocational fields, and offer certification at a range of levels, but primarily focus at Level 5 and 6 on the NQF. They do not aspire to be like universities, but place themselves firmly in the higher education band, as defined by the new qualifications policy framework. Both stress the promise of direct preparation for the workplace. A second set of values stress that institutions have a practical orientation, that they do not simply provide theory, but also provide a practical grounding and practical orientation (Kruss, 2004).

PARTNERSHIPS BETWEEN PUBLIC AND PRIVATE INSTITUTIONS

Mabizela's (2005) work picks up where Subotzky and Kruss left off. He interrogates the rather paradoxical situation in South Africa of private institutions offering the programmes of public higher education institutions. He shows how the 54 841 private students in franchise institutions in 2002 were distributed across the public system through private-public partnerships in higher education. Partnership enrolments with the former technikon sector were 13 510 by headcount, or 24 per cent of the overall partnership enrolments (that is, at both universities and technikons). University sector partnerships had a combined total of 42 375 headcount enrolments – 76 per cent of overall technikon and university partnership students reported for 2002 (Mabizela, 2005).

Much of the demand for public-private partnerships was driven by distance education students enrolled in public higher education institutions who required additional learner support in the form of face-to-face tuition – in this case, offered by the private institutions engaged in the partnerships. This demand for mediation of distance education may have been a consequence of apartheid's destructive educational legacy, leaving students unconfident in studying on their own through distance education without face-to-face support.

The discussion now turns to Private FET, which has a very similar character to the set of private higher institutions offering a 'different' education, both providing education and training services at the intermediate Levels – but with Private FET concentrating on NQF Level 4 as the critical goal.

PRIVATE FURTHER EDUCATION AND TRAINING IN SOUTH AFRICA TODAY

Institutional types in private FET are less distinct than is the case in higher education, with the primary determinant being whether the institutions are established 'for-profit', or for some other community purpose. Table 3 shows a three way institutional typology developed by Akoojee (2005)

to describe the nature of private FET nationally. A significant proportion of providers operated 'for-profit' with a somewhat reduced not-for-profit presence.

Table 3: Institutional Typology of Private FET Institutions

Type	%
For profit	75%
Not for profit	14%
In-house	11%
Total	100%

Source: Akoojee, 2005

National learner headcounts of the private FET sector was calculated to be 706884 in terms of the pre-registration process conducted by the Department of Education in 2001. Learners were located across 864 providers and 4178 delivery sites nationally (Akoojee, 2005). A significant dynamic of private FET learners is that 58 percent are employed and 52% of learners were over 25 in 2001. This is indicative of a sector that tends towards older and employed learners.

An important cautionary note needs to be mentioned about the private FET data when compared to the public. Although data suggests that there were more than twice as many learners in the private than in the public FET sector in 2001, the nature of data collection, calculated on headcounts, makes meaningful comparisons difficult. Courses have been found to be typically of far shorter duration in private institutions, with 46% of course provision lasting less than a month and only 16% a year or more. Nonetheless, this should not underestimate the reality that private provision, both nationally and provincially, is a significant component of skills provision.

CONVERGENCE AT THE FET-HE INTERFACE

The focus in the previous sections has been on private post-school provision – private FET and HE. A distinct trend has emerged in this overview which is consistent with international developments: a convergence towards predominantly career- and vocationally-oriented education and training provisioning at the National Qualifications Framework (NQF) Levels 4, 5 and 6 – the intermediate band (Kraak, 2002).

There are two critical qualification phases with relevance to this study. The first are the set of further education and training (FET) certificates which can be obtained at NQF Levels 2-4. These are qualifications which are equivalent to the school grades 10-12. More interestingly, NQF Level 5 and 6 are post-school qualifications located within the higher education band, but they are not equivalent to a Bachelors Degree. They are often described as post-school, pre-degree. The core focus of university provision begins at NQF Level 7 – the Bachelors Degree through to the PhD (NQF Level 10).

It is this intermediate band of qualifications - which start with the Grade 12 school-leaving certificate, and include all post-school and pre-degree qualifications at NQF Levels 4, 5 and 6 - that are considered as critical to human resources development and the growth of modern economies. These are the para-professionals and the mid-level technicians who hold career-oriented and vocational qualifications that are required in large numbers in an increasingly sophisticated

‘knowledge’ economy. ‘Ramping-up’ provision at this level remains one of our greatest education and training challenges.

Figure 1: Diagrammatic representation of South Africa’s NQF

School grade	NQF Level	Education Band	Qualifications awarded at this level
Grades 1-9	NQF Level 1	General Education Band (Schooling)	School reports
Grade 10	NQF Level 2	Further Education and Training (FET) Band	FET Certificates
Grade 11	NQF Level 3		FET Certificates
Grade 12	NQF Level 4		Intermediate Skills: FET Certificates
	NQF Level 5	Higher Education (HE) Band	Post-school, pre-degree HE:
	NQF Level 6		Advanced Certificates and Diplomas
	NQF Level 7		Bachelors Degree
	NQF Level 8		Honours and Postgraduate Diplomas
	NQF Level 9		Masters
	NQF Level 10		Doctorate

The key Intermediate phase

Source: Author's own diagramme

This convergence of provision by both public and private FET as well as private HE is significant for four reasons. Firstly, it shows that both public and private institutions in the FET and higher education bands, when faced by the same pressures to restructure and seek new sources of income, behave in similar ways. Secondly, much of this new demand-driven provisioning is career- or vocationally-oriented. Thirdly, such a convergence is potentially a positive development in terms of the intermediate skill needs of the national economy. Lastly, it is clear that the private education and training sector has a key contribution to make, particularly in terms of provisioning at the critically important intermediate skills levels of the NQF.

CURRENT LEVELS OF PROVISION, 2010-2012

The next section is based on data obtained from two unpublished research papers, both affected in differing degrees by problematic data sources. The results are included here for illustrative purposes. The main observation to be made in this section is the urgent need for new research on the sector which can confirm or revise these trends – based on properly validated data and comprehensive research methodologies.

The only available document that has attempted to determine the size and shape of private FET recently is a report produced by the CEPD for the post-school *Green Paper for Post-School Education and Training* process in 2011 (See Blom, 2011). The reliability of data in this report is heavily

compromised by the conflicting and incomplete data sources it uses – state administrative data which are supposed to be collected/updated annually at SAQA, Umalusi and DHET. All of these reports suffer major data problems, and are largely incomplete and are not sustained on an annual basis. Determining enrolment and graduation trends is near impossible. However, it is the only source of data currently and some insights need to be drawn from the data. Blom reports that there are anything between 8 000 and 12 000 private post-school institutions enrolling 537 362 students over a ten year period, 2001-2010 (Blom, 2011: 56-57). This yields an annual average of about 53 000 learners – not a large aggregate enrolment at all. These numbers clearly under-estimate actual enrolments. For example, DHET has provided provisional data to this study for enrolments in 2011 from 275 out of the 434 private FET institutions – and the total is 127 000 learners, broken down into the following study fields:

Table 4: Summary of Private FET 2011 Headcount Enrolments*

NQF occupational qualifications	61641
NC(V)	1554
Report 191	14450
National Senior Certificate	5180
Other courses (short courses)	44422
TOTAL	127247

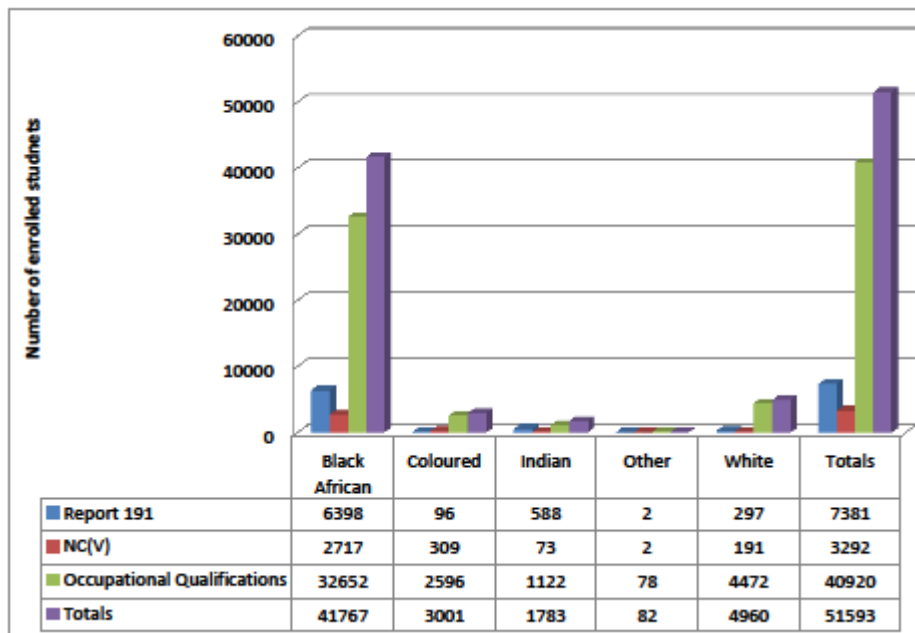
Source: Pat Bulling, Director, FETMIS data, DHET, March 2012

*Data for only 272 colleges out of 434

Blom shows the extent of data diversion across different state sources when she attempts to measure the number of institutions in private FET. DHET reports 434 private FET institutions in June 2011 whereas Umalusi suggests there are 1013 accredited private providers linked to the SETAs operating in the FET band (Blom, 2011: 21, 25). SAQA data indicates that there are 1881 private FET institutions in the system (Blom, 2011: 26). Akoojee's study of 2001 suggested there were 864 providers. Because of these inconsistencies between data sources, it is not possible to determine if there has been growth or decline in the number of institutions operating in the FET band. Using DHET's total of 434 registered private FET institutions in 2011, it would appear as if there has been decline and stagnation in terms of institutional growth.

Working largely from one source – the DHET data - Blom describes some of the features of Private FET. For example, total enrolments in 175 private institutions who responded to DHET requests for data were 51 593 in 2010. Even if these numbers were doubled to account for a larger percentage of all private institutions, the numbers fall far below enrolments for public FET Colleges which stood at 332 580 in 2010 (Cosser, Kraak and Reddy, 2012: 44) – and significantly lower than Akoojee's estimate for private FET of 706 884 learners in 2001 (Akoojee, 2005). Blom also shows that enrolments in private FET institutions are largely African, with white students constituting only 10 percent of all learners (See Figure 2).

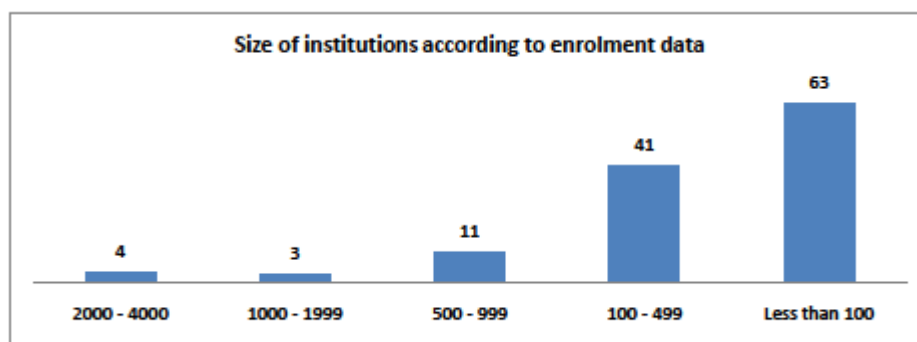
Figure 2: Private FET enrolments by race and qualification type, 2010



Source: Blom, 2011: 35

Blom provides data on size of private FET institutions. Significantly, there are only 7 institutions of medium to large size, with the majority of providers enrolling less than 100 students annually (Figure 3)

Figure 3: Size of FET private institutions according to DHET enrolment data, 2010



Source: Blom, 2011: 36

Table 4 provides a list of the ten largest private institutions operating in the FET band.

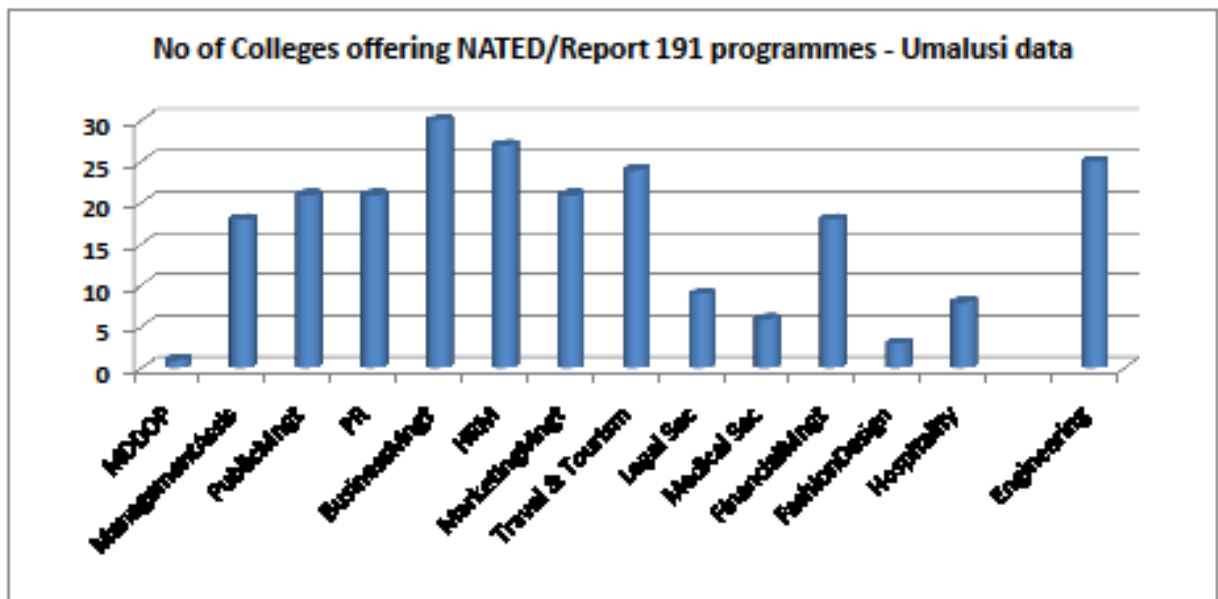
Table 4: The top ten institutions in Private FET, 2010

Institution	Enrolment 2010
PC Training and Business College	3952
PCSIB	2426
Boston City Campus	2143
Jeppe College	2125
South African National Tutor Services	1899
Damelin	1094
DITASA	1092
Learnsys/Prior Learning Centre	818
Falcon Business Institute	803
TECCOM Training College	719
Totals – top ten private FET	17 071

Source: Blom, 2011: 36

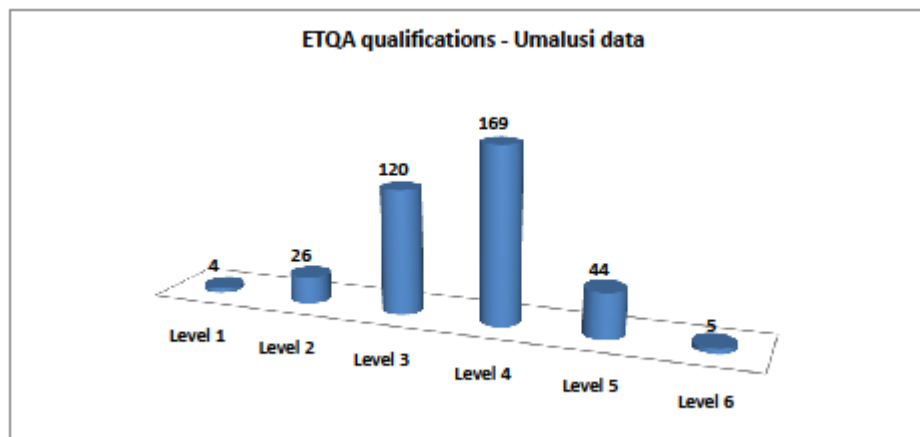
The most popular fields are as expected – business and economic management sciences in the ‘N’ enrolments (Figure 4). In the SETA driven occupational qualification, most were enrolled at NQF Level 4 (Figure 5).

Figure 4: Private FET by field of study – ‘N’ Programmes (UMALUSI data)



Source: Blom, 2011: 53

Figure 5: Private FET by field of study – Occupational Programmes (UMALUSI data)



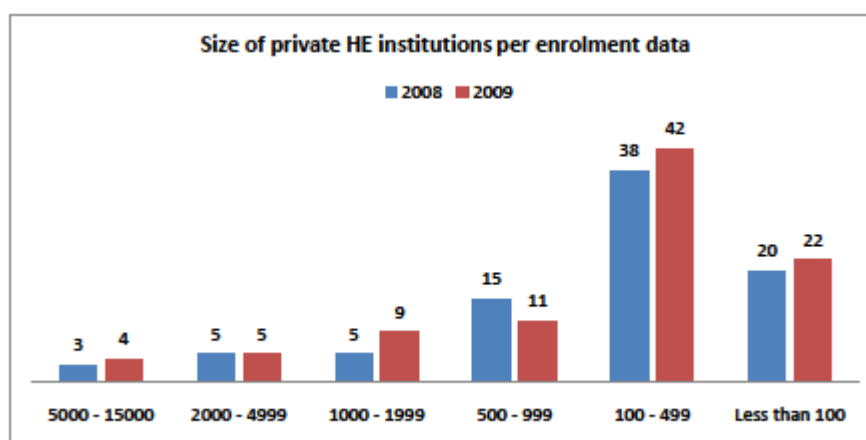
Source: Blom, 2011: 54

PRIVATE HE TODAY

Private higher education has also not expanded significantly since Subotzky's 2001 survey which identified 86 institutions operating in the private higher education field with 84 778 students (Subotzky, 2003: 422). Recent data from two surveys – a 2011 CEPD survey (Blom, 2011) and a 2010 CHE survey – suggest that there are between 90 - 120 registered private higher education institutions operating in South Africa in 2011 with between 83 000 and 87 000 learners (DHET, 2011b). Data over the past decade appears to suggest a flat growth structure. This can be expected given that government has made it very difficult for the sector to grow, particularly with regard to the transnational and franchising colleges discussed earlier.

Blom shows that there are few large private HE institutions operating in the country. Only 7 can be described as large - with more than 2000 enrolments annually (See Figure 6).

Figure 6: private Higher Education institutions by size, 2010



Source: Blom, 2011: 33

The ten largest private HE institutions are listed in Table 5. It is significant that these 10 institutions enroll 58 percent of all students in the private HE sector.

Table 5: The ten largest institutions in private higher education, 2010

Institution	Enrolment 2008	Enrolment 2009
Milpark Business School	13 576	14 459
Independent Institute of Education	10 826	12 886
IMM Graduate College	7 161	6 783
PC Training and Business College	3 911	5 133
Lyceum College	2 311	2 552
Southern Business School	2 077	2 525
South African Theological Seminary	4 128	2 193
MANCOSA	2 209	2 155
Damelin	Below 2000 enrolments in 2008	2 039
Totals top ten private HEIs	46 199	50 725

Source: Blom, 2011: 34

The bulk of courses offered were in the following 6:

1. Business and management studies
2. Religious/theological training
3. Tourism and Hospitality
4. Film, media and design; performing arts
5. Fashion and Cosmetics
6. Healthcare, specifically courses on reflexology, skin care, body therapy and homeopathy (DHET, 2011a)

The Council for Higher Education (CHE) – an advisory body to the Minister of DHET – did a survey of private higher education in 2010. Their survey reached 116 institutions – a number greater than the 89 listed on the DHET Register (some may have been deregistered by the DHET, which would account for some of this difference). Nonetheless, 94 institutions ultimately responded, providing a valuable source of data about the sector.

The survey reported a total of 83 314 registered students in higher education programmes conferred by the institutions themselves in 2009. There were 14 462 graduates in 2009. African students are in the majority, with slightly more women than men registered (CHE, 2011: 6). Most of these institutions present programmes in four major knowledge fields:

Table 6: Enrolment in private higher education by four most popular fields, 2009

Field	No of institutions	Percent of total number of institutions
Business, Commerce and Management Sciences	40	42.5%
Philosophy, Religion and Theology	22	23.4%
Arts, Visual and Performing	21	22.3%
Healthcare and Health Sciences	17	18.1%

Source: CHE, 2011: 9-10

The most prevalent higher education programme successfully completed at private higher education institutions in South Africa is the 'Diploma'. A total number of 7 397 students successfully completed this qualification at these institutions in 2008, which constitutes 51.6% of all students who graduated. Although this number dropped in 2009 to 6 641 or 45.9%, this qualification evidently remains the most popular. The second most prevalent qualification is the full-qualification certificate, with 4 167 students (or 29.6% of all graduates) graduating in 2008 and 4 499 (31.1%) in 2009 (CHE, 2011: 12).

Table 7: Graduates 2008 and 2009 by Qualification Level

	2008	2009
Certificates	4 167	4 499
Undergraduate Diplomas	7 397	6 641
Bachelor Degrees	1 826	2 161
Postgraduate Diplomas or Honours Degrees	608	658
Masters	330	497
Doctorates	7	6
Total	14 335	14 462

Source: CHE, 2011: 11.

Table 8 reveals the 'for-profit' and 'non-profit' status of institutions in private higher education. Of those institutions that responded, 61 (65%) describe themselves as being "for profit", with the majority of these being owned by South African companies. Only seven (7) have a connection to an international entity (which may or may not be a profit-generating entity in its own right). A further 28 (30%) describe themselves as being "not-for-profit institutions", with the bulk of these (20) being organisations for community benefit (CHE, 2011: 16).

Table 8: Institutional Type in Private Higher Education by Revenue Earned, 2010

INSTITUTIONAL TYPE	TOTAL IN THIS CATEGORY
FOR PROFIT	61
South African	54
International owner	7
NOT FOR PROFIT	28
Community benefit	20
Part of international organisation	2
In support of other enterprise, e.g. healthcare training.	6
Other	5
TOTAL	94

Source: CHE, 2011: 17

It is clear that the private sector, in both FET and HE, has not grown over the past decade – a development out of synch with the rest of the world. This is largely due to government's heavy hand in regulating the sector. For example, the growth of 'franchises' described earlier by Mabizela, came to an abrupt halt in the mid-2000s due to the imposition of a government moratorium. Secondly, government under the Asmal educational administration (between 1999-2004) was particularly suspicious of the intentions of trans-nationals operating in South Africa.

At a recent conference in the Netherlands, I spoke about my concerns in relation to the proliferation of foreign higher education institutions establishing operational bases in South Africa I was at pains to emphasise that this concern is not motivated by a narrow protectionist agenda or by national chauvinism. On the contrary, we would welcome partnerships that seek to assist in building the teaching and research agenda of our higher education institutions. There are many examples of such relationships. Equally, however, there are many cases where partnerships are nothing more than 'marriages of convenience' enabling the foreign partner to enter the local market, with little or no contribution to the development of the teaching and research capacity of the local partner. The role of foreign higher education institutions is narrowly influenced by the need to seek new markets, to generate new sources of income, and in so doing to overcome the financial constraints that many foreign institutions face in their own countries. In South Africa, the rise of foreign higher education providers has the potential to undermine our agenda for the de-racialisation of our universities by, in some cases, the targeted recruitment of white students. (Asmal, 2002)

A major consequence of this policy stance (backed by similar views articulated by the CHE at the time) was that potential new trans-national entrants backed-off, and others failed to satisfy the registration and accreditation requirements. Today, the only prominent trans-national institution operating in the country is Monash University, based in Roodepoort, Gauteng.

A similar threat to the growth of private FET and HE has emerged more recently under the leadership of the new Minister, Blade Nzimande. The Minister has been vocal in many speeches about the private market for training which has grown alongside the vast pool of financial resources at the disposal of the 23 SETAs. He has criticised their quality, and is concerned at the lack of full-qualification training, with significant resources going towards short-courses of no particular value. However, the most powerful element of his critique is the skewing of training away from public post-school institutions towards these private providers:

Much of the training facilitated and funded through the skills development levy, whilst reaching large numbers of people, is often of questionable quality. Almost 70% of the training is in short courses that do not lead to a qualification, even for the unemployed. The cost of this training in many cases appears to be exorbitant. A source of great concern to me has been that public educational institutions that largely provide full, occupational qualifications have been largely ignored by the SETAs as providers of education and training. These include FET Colleges, other public vocational colleges and universities, including universities of technology. Such public institutions would not only provide credible training, but their use by SETAs would help to strengthen the institutions themselves.... Instead of being marginalised by the SETAs, these institutions in which large amounts of public money has been invested, should be at the core of our skills development system. The FET colleges, for example, should be central in rebuilding our apprenticeship system and strengthening learnerships (Nzimande, 2011)

The risk here is that an arbitrary decision is made to close down this private market and to re-allocate all SETA funding to the public institutions. This ignores the fact that SETA money was blocked by the former Department of Education from reaching universities of technology and FET Colleges – an outcome of the silo-politics of the period 1994-2009. It also ignores the fact that the public institutions are also guilty of poor quality training. However, the greatest danger here would be the loss of the institutional architecture underpinning this private market and the embedded expertise derived by these institutions - something not easily regained if lost.

The role played by state regulation is clearly a pivotal factor in the success and growth of the private post-school education sector and this issue requires more detailed and nuanced research work and policy deliberation so that a more balanced and flexible regulatory regime can be put in place which allows and even encourages the private sector to grow whilst boosting quality in both the private and public sectors.

KEY ISSUES FOR FUTURE RESEARCH

The next section examines three areas in which the private sector could play a greater role in the larger education and training system. These are: expanding intermediate-level training; promoting public-private partnerships (PPPs); and finally, allowing the private sector to contribute to building a more differentiated post-school landscape.

THE IMPORTANCE OF INTERMEDIATE PROVISION: THE CASE OF NURSING

As is evident in the data presented earlier, a major feature of private provision both locally and globally, is building the intermediate skills that are in demand in the labour market. The case of nurse training in South Africa illustrates this point most clearly. There are three categories of nurses registered with the South African Nursing Council (SANC): Professional (registered) nurses; enrolled nurses; and auxiliary nurses. The qualifications structure reflects these three occupational categories. Nursing courses on offer in both the public and private sectors include the following two FET level categories:

1. Certificate for Nursing Auxiliary (a 1-year Course at NQF Level 2 or grade 10 equivalent)
2. Certificate for Enrolled Nurse (a 2-year Course at NQF Level 4 or grade 12 equivalent)

There are a further 3 categories of nursing qualifications at the higher education level:

3. Bridging Course for enrolled nurses to upgrade to registered nurse (a 2-year College course at NQF Level 5 with entry requirement being enrolment as a nurse). Private institutions are allowed to offer this bridging course.
4. Four-year Diploma in Nursing (a 4-year Public Nursing College or University of Technology course at NQF Level 5 with entry requirement being a Grade 12 pass. Private institutions are not permitted by the SANC to offer this course.
5. Four-year Bachelors Degree in Nursing at NQF Level 7 and done at Universities or Universities of Technology. Private institutions are not permitted by the SANC to offer this degree.

Table 9 shows the total training output of both public and private institutions in terms of nursing qualifications from 2000-2009:

Table 9: Nurse training output from the public and private sector, 2000 - 2009

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
4 Year Programme										
Universities	408	408	400	453	428	460	534	714	720	671
Nursing Colleges	2086	1633	1252	1100	1288	1058	1493	1628	1701	1967
Total	2494	2041	1652	1553	1716	1518	2027	2342	2421	2638
Bridging Programme										
Private institutions	176	248	419	495	523	794	704	832	1209	1109
Public institutions	1815	1769	1260	1346	1580	1558	1660	1261	1419	1366
Total	1991	2017	1679	1841	2103	2352	2364	2093	2628	2475
Enrolled Nursing Programme										
Private institutions	702	874	1443	1806	2835	3380	3374	3419	4366	5128
Public institutions	1217	1058	1328	1352	1438	1185	1442	1339	1788	2365
Total	1919	1932	2771	3158	4273	4565	4816	4758	6154	7493
Enrolled Nursing Auxiliary Programme										
Private institutions	1238	1641	2653	3868	6074	5593	4256	4495	4532	4673
Public institutions	271	273	425	522	624	1161	1166	1641	1061	1106
Total	1509	1914	3078	4390	6698	6754	5422	6136	5593	5779

Source: Van Heerden, 2010: 35

As is evident in the table, the public sector training regime for nurses has witnessed a dramatic decline over the past decade and a corresponding shift is evident in the growth of private training of nurses. The public colleges in 2000 were making the greatest contribution to nursing education through the four-year Diploma programme, which contributed 2 086 professional nurses – the highest output by category of nursing. However, by 2009 the situation had shifted dramatically, with the private sector training the largest number of nurses – in this case, 5 128 enrolled and 4 673 auxiliary nurses. This shift in nurse training – away from the public sector towards the private sector – is perhaps the most significant contribution the private sector has made in terms of ‘ramping up’ intermediate skills in the labour market. In contrast, public sector production of college trained professional nurses has dropped from 2086 in 2000 to 1100 nurse graduates in 2003, only to recover slowly to 1 967 graduates by 2009 – just short of the public sector output of 2000. Public sector nurse training output remains essentially flat.

Successes such as these should be encouraged by government and should form part of national planning objectives, for example, the Presidency’s *National Development Plan: Vision for 2030* (NPC, 2011). However, the private sector faces several restrictions and constraints on its ability to grow in the nursing field. For example, its contribution in higher education is highly restricted. Only 377 nurses were enrolled in NQF Level 5 and 6 courses in 2010. Compared to the FET outputs, this is extremely low. The primary reason for this is the set of restrictions which forbid private providers from offering the four-year nursing diploma and the four-year bachelors degree in nursing. The restrictions emanate from the Nursing Council which holds the quality assurance rights to accredit training providers. It is their view that the private training institutions cannot offer a sufficiently comprehensive training experience – including public health nursing, psychiatric nursing and mid-wifery – which is required in the four-year qualifications. Comprehensive exposure for trainee nurses is usually acquired through placements at the large tertiary public hospitals. It is the view of the Nursing Council that private training institutions and the many private health facilities they are attached to do not offer such a comprehensive exposure – they are restricted to more general nursing practices. As a consequence, they are excluded from offering the four-year qualifications.

PUBLIC-PRIVATE PARTNERSHIPS

'Social Compacts' or 'Accords' have always been part of government's rhetoric but few meaningful partnerships have been forged in education and training. Recently, government under the leadership of the Economic Development Department, signed a 'Skills Accord' with Business and Labour (EDD, 2011). Through the Accord, the three societal stakeholders have committed themselves to meeting the requirements of 8 skills development objectives. A similar 'Accord' is needed across the post-school education and training system, specifically between government and the private sector in education and training.

There have been few PPPs in education and training in South Africa. Bjarnason *et al* define a PPP as a 'cooperative venture between the public and private sectors, built on the expertise of each partner that best meets clearly defined public needs' (2009: 52).

Bjarnason *et al* define a spectrum of differing PPP systems in post-school educational provision, illustrating these with differing examples across the globe. The 10 combinations of PPP from the purely public through a range of mixes to the purely private are highlighted in Box 2.

As is clear in Box 2, the possibilities for PPPs in post-school education are endless. It is ironic, therefore, that so few have been launched in South Africa even though one of its poorer neighbours, Botswana, is launching a second university as a PPP with the state providing substantial funding for capital expenditure and the private sector being responsible for operational expenditure (Bjarnason *et al*, 2009: 57).

Spectrum of public-private partnerships in higher education across the globe

Purely public institutions with no private element. This is perhaps true of most public institutions in the world.

Public institutions with private donations. In the strictest sense of the term, donations are money given away with no financial benefit.

Public institutions that receive incomes due to their commercial activities, namely, fee-charging courses, commissioned training, entrepreneurial spin-offs, patents and so forth.

Public institutions with components of self-financed teaching programmes, often in the form of an extension school for adult learning or specific programmes of market value, such as an MBA.

Public institutions in a joint venture with a private enterprise on specific projects or programmes within a public institution – for example, research, a teaching programme or a development project for a third party.

Joint venture between government and private enterprise/foundation in establishing and running an institution. For the most part institutions in this mode remain public but benefit from the financial power of the private partner.

Private institutions with direct government appropriation for part of its activities. This happens in some systems where the government, instead of building more institutions, spends unit-cost money to 'buy' places in private institutions. This is particularly viable in programmes related to public service, such as the training of teachers or nurses, when there is a severe shortage of personnel in those areas.

Private institutions with project-based government subsidies, that is, through competitive grants for research, consultancy, training programmes or projects for specific purposes. This is a common case in the United States, where many private universities obtain substantial government money through competitive grants.

Private institutions with indirect government subsidies, namely, through scholarships or financial assistance directly given to students or salary subsidies that go directly to teachers. Scholarships for students are commonplace in most systems of higher education.

Private institutions with one-off government subsidies - by way of land allocation or the provision of capital for construction, necessary for the initial operation of the institution. (Extracted from Bjarnason *et al*, 2009: 55-57).

It is clear that if South Africa is to successfully 'ramp-up' its post-school educational outcomes in the next 2 to 3 decades, it will need to consider some of these PPP possibilities, particularly options 5-10 in Box 2. Government cannot ramp-up on its own. However, to bring the private sector to the negotiating table will require a number of changes including:

1. Formulating an inclusive policy framework where the private sector has an active role to play. This must include creating the necessary legislation to legitimize the position of private institutions.
2. Adopting a positive attitude and creating space in the higher education landscape so that the private sector can play a significant role. This could mean (a) facilitating and developing private institutions as a major thrust in higher education expansion; (b) facilitating the establishment and development of elite institutions in the private sector; (c) encouraging private philanthropy towards higher education; and lastly, (d) introducing elements in the tax system so as to create incentives for private sector participation in higher education. (Bjarnason *et al*, 2009: 64-65)

The South African educational landscape is extremely bleak in terms of PPPs and education-industry partnerships. It is a terrain which should be highly populated with initiatives across the economy, but very few exist. However, there is one in the educational sector which is concerned with the training of super-specialist clinicians in the healthcare sector – The Donald Gordon Medical Centre – which stands out as a beacon deserving of replication elsewhere in the educational landscape.

Started at Wits in 2005, the Donald Gordon Medical Centre entails a private hospital partly owned by Mediclinic (49%) with Wits University owning the balance (51%). A large endowment from Donald Gordon allowed Wits to purchase the old Kenridge Hospital in Parktown. A new hospital was established to create a facility in the private sector for the training of super-specialists. The facility is modelled on the renowned Mayo Clinics in the US, and was born out of a vision to restore South Africa's track record of medical excellence by offering a training environment for super-specialist doctors (specialist doctors who have gone on to specialise further in their field).

The first independently owned and privately funded university hospital in Africa, the Donald Gordon Medical Centre functions as a not-for-profit hospital, where patients receive top-quality specialist healthcare in a climate of training and peer review. The centre will cater to patients in need of highly specialised treatment. It will also offer academic doctors who find themselves in very difficult work environments a chance to bridge the private sector and academic milieu. The Centre will allow academic clinicians time to balance their public sector work with private practice, maintaining their scholarly focus in both places, and with access to technology and patients not available in the public hospitals.

Currently, training of specialists is confined to public hospitals, which lack enough resources to provide sophisticated care to train super-specialists. The only way to address this training deficit is to expand training of super-specialists into the private hospitals, where funding and modern technology are both located. What is special about the Donald Gordon Medical Centre is that it offers the patient the benefits of a multi-disciplinary specialist team reviewing his or her case. No undergraduate students receive training at the centre at this stage. All medical staff are qualified doctors, mostly specialists training to be super-specialists.

Unlike private hospitals in South Africa, where profits go to shareholders, those from the Donald Gordon Medical Centre are ploughed back into the hospital. Although the hospital must run like a business, primarily catering to patients with medical aid or those who can pay, other patients may be donor-funded or paid for by the hospital because of the teaching value their cases offer.

The 'Donald Gordon' route can be replicated in other regions, in other disciplines, with other private institutions. This kind of PPP remains the only logical way in which cooperation between the private sector and government can be institutionalized on a big enough scale to make a difference in terms of educational outcomes.

TOWARDS A DIFFERENTIATED POST-SCHOOL LANDSCAPE: ALLOWING PRIVATE TO EXPAND AND PLAY A SIGNIFICANT ROLE

Space constraints do not allow a full discussion here about the need for greater institutional differentiation in the post-school system in South Africa. This will be done in another Briefing Paper (see Kraak, 2012). However, it is a pressing issue within the debates about reforming the public FET College and higher education sub-systems. The contribution of the private sector towards this differentiated landscape should also be considered. Cloete *et al* (2009) do this by proposing five different institutional configurations which they believe will open up articulation across the FE-HE divide and grow the numbers of learners in the post-school ET system. The five models proposed are:

- *Model 1: The franchising route:* some FET colleges would be given a 'franchise' by a higher education institution to offer a particular HE learning programme leading to a HE qualification.
- *Model 2: FET Colleges offering pre-degree programmes* (for example, the Higher Certificate). This route would entail granting selected FET colleges the right to offer a limited number of specific HE qualifications in their own right if they satisfied a number of strict quality and expertise criteria. These programmes would be NQF Level 5 qualifications, many with an industry or vocational orientation.
- *Model 3: Developing a strong occupational niche:* this model suggests that some FET colleges should be given permission to offer a larger number of post NQF Level 4 trade and occupationally-directed learning programmes than is currently the case.
- *Model 4: The Community College route:* this would entail transforming a small number of FET colleges into fully-fledged community colleges as in the USA tradition. These colleges would be given the right to offer Foundation Degrees comprising the first and second years of university study, catering for so-called transfer students. And finally,
- *Model 5: Private Colleges:* (Cloete et al, 2009: 13-15)

The private sector as described above can easily make a contribution here, especially in Model 5. In fact, the three largest private trainers of nursing qualifications – Netcare, Mediclinic and Life Healthcare – all have the capacity to train beyond 2000 learners per annum, and would expand dramatically into fully-fledged multi-campus, multi-programme private health 'colleges' if they were allowed to train at the HE qualifications level. Similarly, as was described by Mabizela earlier (2000 and 2005), the private college sector has already participated in over 20 'franchising' arrangements with the public university sector entailing more than 50 000 students. However, these arrangements were heavily constrained by government regulation in the mid-2000s. They are non-existent today. In looking back, some of the franchising sites were guilty of low quality provision and poor quality assurance systems, but these problems were not confined to the private sector alone. They are endemic to the entire bottom-end of the post-school system – public and private. Focusing only on the 'negatives', however, has meant that South Africa has lost the 'positive' – the very valuable public-private institutional architecture needed to host good-quality, in-demand franchising models of public-private post-school interaction. This capacity must be regained. It will add immeasurably to the differentiation of the post-school landscape.

This briefing Paper has shown that there are several medium-to-large private institutions operating in South Africa:

- 3 large institutions in nurse training – Netcare, Medi-Clinic and Life Healthcare
- 7 medium-to-large institutions in private FET
- 7 medium-to-large institutions in private HE
- Monash University

All of these institutions have the potential to grow into large multi-campus, multi-programme institutions which would add significantly to the differentiation of the post-school landscape. To carry this out effectively will require some comparative analysis of what has occurred elsewhere in terms of innovative models of private sector participation in successfully differentiated post-school systems. Concrete policy recommendations applicable to the South African context would then need to be crafted.

CONCLUSION

The explosion in private provision of higher education on the one hand, and the growth of privatization within public universities on the other hand, means that it is no longer easy to talk of purely public or private entities in higher education. The boundary lines between what constitutes 'the public' and 'the private' are now fuzzy. As argued by Bjarnason *et al* (2009: 52), public institutions in various ways, are already involved in private or market engagements. Acknowledging this new context is not always easy and entails a major shift from orthodox policy and political perspectives. Such an inter-dependent view of the public-private interplay:

... is antithetical to the view that services to society are basically the responsibility of the government and their provision should be dominated by the public sector, and the private sector is in the periphery taking on the residuals leftover by the public sector. In this latter notion, the private sector is often seen as a necessary evil or a temporary measure in order to fill the gaps in the public sector. (Bjarnason et al, 2009: 52)

Marginson argues that outdated notions of the 'public' and 'private' based largely on 'state' and 'market' ownership need to change. More important are the 'social and cultural character of the outcome or "goods" produced by higher education institutions' (2007: 309-310). These outcomes are not automatically 'public goods', and they can be either 'public' or 'private'. It is possible for state-owned institutions to produce private goods. Conversely, it is possible for privately owned institutions to produce public goods (Marginson, 2007: 310). Policy makers need to recognize the complex mix of public and private qualities that takes place in post-school systems.

Marginson therefore concludes that sectors such as higher education are intrinsically neither public nor private. They can produce predominantly private goods, or predominantly public goods, or achieve an unstable balance between them. Critically, the mix is an outcome of explicit public policy. State policy makers and institutional leaders play a critical role in finding the right balance (Marginson, 2007: 315).

TAKING THE RESEARCH FORWARD

The Table below proposes a number of themes that arise in the Briefing Paper which require further research and policy work. The ideas are tentative and need to be finalised in discussion with the HSRC, DHET and other role-players.

Table 10: Possible research project descriptions

No	Project	Paragraph description of project	Size of proposed project
1	Comparative study of differing policy regimes which include the private sector more explicitly within the post-school system	It is proposed that a comparative study be done of selected countries that have successfully grown the private sector in the past 2 decades to contribute to national development goals, improve access and quality.	Small
2	'Size and shape' survey of 434 private FET providers	There is a need for Akoojee's survey of 2001 to be repeated again a decade later. The DHET has 434 registered private FET providers. It is proposed that a telephonic survey of all these institutions be carried out, with a focus on their enrolments and graduation numbers by race, field and age.	Large
3	Qualitative study of the capabilities of the largest 20 private post institutions, assessing their potential to ramp-up and contribute to a differentiated post-school landscape.	It is proposed that a detailed qualitative study be made of the largest 20 institutions in private FET and HE. These include: 3 large institutions in nurse training – Netcare, Medi-Clinic and Life Healthcare 7 medium-to-large institutions in private FET 7 medium-to-large institutions in private HE Monash University Twenty case studies should be undertaken with a specific focus on their ability to ramp-up outcomes and contribute to a differentiated post-school landscape.	Medium
4	Case Studies of PPPs in education and training	This would require both a literature review of PPPs in education and training globally, and a select sample of case studies locally. For example, the second university in Botswana, and the Catholic University in Mozambique could be studied.	Small
5	A Tracer Study of graduates from private post-school education and training	It may be useful to better understand the transition of students in private institutions from learning into work. It is proposed that a representative sample of institutions in both private FET and HE be drawn up, sets of students contact details obtained, and a cohort created. This study will be extremely difficult because of obstacles in accessing learner contact details and acquiring any kind of representivity of data. But understanding this transition is crucial and so certain compromises may need to be made in the sample frame.	Very large

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