

**NATIONAL ASSEMBLY**

**WRITTEN REPLY**

**QUESTION 2686.**

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**INTERNAL QUESTION PAPER: 20/2025**

**2686. Mr P G Atkinson (DA) to ask the Minister of Basic Education:**

(1) With reference to all entities that report to her, (a) which entities have received government (i) bailouts, (ii) guarantees and/or (iii) capital injections in the past five financial years and (b) what (i) were the total amounts allocated to each entity in each specified financial year and (ii) is the year-on-year breakdown of the total amounts in terms of each entity;

(2) whether any performance-based bonuses were paid to chief executive officers and/or accounting officers of entities that reported financial losses in each specified financial year; if not, what is the position in this regard; if so, on what basis was the decision to pay bonuses made?

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#### Response

(1)(a) In respect of the entities that report to the Minister of Basic Education, namely, Umalusi and the South African Council for Educators (SACE):

(i) no bailouts have been received by such entities;

(ii) no government guarantees have been issued to such entities; and

(iii) no capital injections have been made by the Department of Basic Education (DBE) to such entities;

over the past five financial years.

(b) The DBE has advised that the table below outlines the total transfers made by the DBE to each public entity for the five financial years, as part of the DBE's annual appropriated budget and not as bailouts or guarantees:

Entity	2021/22	2022/23	2023/24	2024/25	2025/26
Umalusi (Quality Council)	R157.4 million	R162.0 million	R162.9 million	R166.9 million	R174.4 million
SACE (Educator registration and ethics body)	R18.0 million	R15.5 million	R15.6 million	R16.4 million	R17.2 million

The DBE has advised that these figures reflect transfers from the DBE and are not capital injections, bailouts or guarantees in the financial rescue sense.

The DBE has noted that the transfers to SACE are related to the Continuing Professional Teacher Development (CPTD) system and not operational costs. SACE is primarily funded through educator registration fees.

(2) According to the audited annual reports submitted by the entities, the DBE has advised that:

- No performance-based bonuses were paid to the Chief Executive Officer or accounting authority of SACE during any of the financial years in which the entity recorded financial losses;

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- Bonus payments in these entities, if applicable, are subject to the achievement of performance targets and the availability of surplus funds, as assessed and approved by their respective Councils or Boards; and
- Both Umalusi and SACE operate under the regulatory frameworks of the Public Finance Management Act (PFMA) and the regulations thereto, and any bonus payments would have to comply with these provisions.

The table below summarises Umalusi's annual financial performance alongside the bonuses paid to the Chief Executive Officer over the same period, as disclosed in Umalusi's annual reports:

<b>Financial Year</b>	<b>Surplus / (Deficit) Reported</b>	<b>CEO Performance Bonus Paid</b>
2024/2025	(R26.4 million)	R171,864.00
2023/2024	(R0.8 million)	R145,730.00
2022/2023	R15.4 million	R135,735.00
2021/2022	R8.6 million	R109,658.00
2020/2021	(R7.0 million)	R133,729.00

These outcomes show that while performance bonuses were paid by Umalusi in deficit years, they were assessed and approved by the Umalusi Council within the governing provisions of the PFMA and based on performance against predetermined objectives.