‘Those who can must pay for their studies’

Negative budget at Rhodes as R180m reserve depleted

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Students who can afford to pay university fees should pay more than the offspring of the working class and the poor.

This was the suggestion made by Rhodes vice-chancellor Sizwe Mabizela and his Nelson Mandela Metropolitan University counterpart acting vice-chancellor Sibongile Muthwa.

The university principals were making their submissions to President Jacob Zuma’s appointed Fees Commission which held its two-day hearing in East London this week.

NMMU’s Muthwa said: “The ‘missing middle’ needs to be defined and supported through either bursary or loan schemes ... NMMU supports fee-free higher education for the poor.”

She also called on the National Student Fund Aid Scheme (NSFAS) to review and improve its debt collection service. “Recovery of NSFAS loans needs to be improved once graduates are gainfully employed,” she said.

During his presentation, Mabizela said Rhodes had no financial reserves. Even though the institution’s academic and residence fees range between R30 000 and R100 000 per year he said the university had used its R180-million worth of reserves to act as a security for its internal loans.

“Is this out of reach for the majority of South Africans,” he said.

Addressing the issue of the “missing middle”, he said: “The wealthy few can afford fees, the upper middle-class have the collateral to access a bank loan, and the poorest can access NSFAS.”

“‘The majority of South Africans sit between these categories and are denied access to higher education by the crushing fees.”

The two academics both decried the investment of government in higher education.

Mabizela revealed government only invested 0.7% of its gross domestic product on higher education which was less than half of the average in other middle-income countries, such as Chile, China, South Korea, who invest between 2.3% and 2.8% of their GDP.

The two further agreed that the current funding system was not sustainable.

“The current situation in terms of university funding if left unaddressed threatens the sustainability of our universities,” Muthwa said.

The 0% fee increment also dominated discussions as Mabizela revealed that the university had for the first time in its history approved a negative budget deficit.

The university, according to Mabizela, had a shortfall of R24-million because of the no-fee increment.

“That indicates the situation we find ourselves in. Rhodes has never had huge reserves.”

He said the university also had to change its minimum initial payment of 50% to a registration fee of 10%.

Muthwa said the Fees Must Fall protests should not come as a surprise to universities as fees increase, on average, by 9% each year “way above the national inflation of 5% or 6%”. — silusaphon@dis-patch.co.za