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WORKING TOGETHER FOR A SUCCESSFUL START TO A NEW ERA

Following President Zuma's announcement of a new student funding system on 16 December 2016, Universities SA (USAf) and its member universities, the Department of Higher Education and Training (DHET) and the National Students Financial Aid Scheme (NSFAS) met and are continuing to work together to ensure that we have a smooth start to the 2018 academic year. Notwithstanding all the concerns that have been raised, our key challenge now is to do our best to make the new system work. It has enormously powerful positive ramifications for young South Africans, for the university system and for South Africa as a whole.

Any higher education system in the world that is unaffordable to the majority of people in that society is, by definition, in a state of continuous crisis. There are many reasons for this and the primary one is that universities are social institutions that must work towards building more equal, more just and more democratic societies. They do this through various roles that they play and in particular by ensuring that they are designed to be powerful forces for social justice and social mobility. USAf and its member universities subscribe fully to the constitutionally enshrined injunction that education be made progressively available to all South Africans. As such, any barrier to the realisation of this objective must be addressed.

Spurred on by the *#FeesMustFall* campaign and the continuing student funding crises on many South African campuses, Universities SA has called repeatedly for a roadmap for student funding that indicates how, as a society, we would address the challenge of ensuring that no young South African who has been offered a place at one of our universities is prevented from taking up that opportunity for reasons of unaffordability.

While we acknowledged the huge advances in state funding of the National Students Financial Aid Scheme (NSFAS) especially during the tenure of Dr BE Nzimande as Minister of Higher Education and Training, we were also deeply concerned by the spectre of runaway debt and the fact that the NSFAS loan system did not quite reach all students that were in need of financial support including some who qualified through the means test but who remain unfunded.

It is for this reason that we welcome the announcement of the new student funding system by President Zuma because of its potential to address the question of affordability of higher education and post-school education and training more generally. One of USAf's recommendations to the Heher Commission was precisely that the NSFAS loan system should be converted into a grant (or bursary) system. The fact that young graduates from poor and working-class families won't have to worry about student debt as they start their careers is very important.

The key question then is how to ensure that the new student funding system works well for first-year and returning students in 2018, taking into account that there are just a few days for its implementation. This is a challenge not just for the universities but also for the Department of Higher Education and Training (DHET), NSFAS and the entire South African society. As mentioned above, a USAf-DHET-NSFAS meeting held immediately after the President's announcement on the 16th of

December, provided the basis for the development of a joint understanding of the potential risks that may arise because of the short timescales involved and what steps might be taken to mitigate against these risks.

Three categories of students were identified.

- The first category is that of students who have applied to universities and to NSFAS. They need not do anything further; their applications will be processed automatically.
- The second category are students who have applied to universities but have not applied for financial aid because their family earnings extended beyond the old NSFAS threshold of R122,000. The new NSFAS threshold of R350,000 opens the way for a larger cohort of applicants. The only step that these students need to take is to visit the Financial Aid Office at their university and ask to be considered for a NSFAS bursary. Appropriate application procedures will be explained to them.
- And the third category of students are those who have not applied for entry to a university. The USAf-DHET-NSFAS meeting determined that the best way to address the needs of these students was for them to apply directly to the DHET's Central Application Clearing House (CACH) system which would allow DHET, universities and TVET colleges to work jointly to place them across the system.

The use of the CACH system is important to ensure that students have the best opportunity to be placed at an institution of higher learning if they have not yet applied to enter a university.

There remain many other important systemic questions around registrations, historical student debt and how soon funds will flow from government to universities to ensure there is no cash-flow crunch for universities. We hope these will be clarified soon.

Regarding enrolment management, we have to remember that universities have five-year enrolment plans and targets agreed to between the DHET and each university. They take into account issues of human and infrastructure capacity, the subsidy available to the DHET from Treasury and other factors. For 2018, these enrolment plans indicate an intake of about 208,000 new students by the 26 public universities. The challenge we face is to ensure that every single place that is available is effectively taken up by students. Needless to say there is also a fresh intake of students into the TVET college sector and this opens up the way for about 350,000 places altogether.

Globally, it has been found that one of the most powerful drivers of higher education transformation is change in student demographics. It is vitally important that we see this initiative of the government as an impetus that will drive the evolution of our universities so that they are more responsive to the challenges facing our society, everything from having better functioning sewerage systems to addressing the mega-project of constructing a truly democratic society based on the principles of social justice. This is an important opportunity for our society.

Notwithstanding concerns about a lack of consultation and a lack of a clear implementation framework, Universities South Africa, and we believe all public universities, will invest all their energy and creativity to make this epoch-making system work.

We appeal to all students, parents, communities, social and political formations and other role players to contribute positively and constructively to ensure that our public higher education system fulfils its purpose for the greater good of our society.

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