

Submission to the Commission of Inquiry into Higher Education and Training.

The focus of this Commission is “the feasibility of making higher education and training fee-free in South Africa”.

The University of Mpumalanga is grateful for this opportunity to contribute to finding a solution to the most pressing problem yet to face higher education in South Africa.

Our submission is based strongly on our context, roles and responsibilities as one of the three new universities in South Africa, and the roles and responsibilities of higher education in general and in the context of national development in particular.

The National and Higher Education contexts

The Constitution of the Republic of South Africa: 1996 includes the following:

The Republic of South Africa is one, sovereign, democratic state founded on the following values:

Human dignity, the achievement of equality and the advancement of human rights and freedoms.

Regarding education the Constitution states that

Everyone has the right to a basic education, including adult basic education; and to further education, which the state, through reasonable measures, must make progressively available and accessible.

During the past 10 years a number of national priorities and goals have been identified in a range of Government reports and plans¹. These include improving the extent and quality of health and other social services; providing improved education

¹ 10 Year Innovation Plan (2007), New Growth Path (2010), National Development Plan (2011 and 2030), and National Skills Development Strategy III (2012).

and training services and opportunities; strengthening rural development, environmental management, food provision and food security, and advancing land reform; advancing entrepreneurship, economic growth and investment, and accelerating job creation (unemployment currently stands at 26,7%); and strengthening democracy and social equality, improving governance and public accountability, advancing personal and social security coupled to decreasing levels of criminal activity and corruption. All of these rely heavily on the higher education sector providing the much needed knowledge skills and new ideas that will allow South Africa to prosper. In many ways, the health and success of the nation depends on the health and success of the higher education sector.

The provision of high quality higher education is expensive and if we are to meet the constitutional goal of making higher education progressively more available and accessible, then the issue of the funding must be addressed. In this regard it is important to emphasize three points. Firstly, Higher Education provides benefits to both the nation and the individual (often described as the Public and Private Goods components of higher education) and hence it is reasonable to assume that funding should come from both private (the students) and public (Government, Industry and small and large businesses and the private sector) purses. The key questions that must be answered are the proportions of the private and public contributions and when and how these funds are collected.

The second important consideration is that South Africa remains one of the most consistently unequal societies in terms of income and that since 1994 there has been a moderate decline in poverty but a sharp increase in income inequality. This indicates that while some students will immediately be able to pay, and should pay university fees, the majority will not. The effect of this is compounded as the higher education sector broadens access to universities and makes a higher education available to those who have previously been denied this opportunity.

Thirdly, in real terms the direct financial contribution by the Government to Higher Education has not kept pace with the increase in student numbers in the system and most recently has fallen below inflation. In South Africa, between 1994 and 2016 the number of students in the public higher education system increased from about 500000 to about 1 million but over the same period, the contribution from National Government failed to keep pace.

These factors and others combine to put universities under immense financial pressure that cannot be balanced by increasing fees. Indeed, universities must now look for ways to increase efficiency and effectiveness and this is touched on later.

The roles of higher education are numerous and varied. Higher education will contribute to the creation of high-level human resources and knowledge for the economy and for the national social- economic project. Higher education will also promote the achievement of some of the goals of the Constitution including the achievement of equality and the advancement of human rights and freedoms. However, Higher Education must reach far beyond the creation of skilled human resources for the economy and will include the promotion of socially conscious, critically thinking graduates who will find innovative answers to old and new questions.

Efficiency and Effectiveness

The efficiency and effectiveness of higher education in South Africa is unacceptably low, and addressing this should be part of the universities response to the current financial crisis. The dropout rate for students is high and in a study of the cohort of students starting a 3-year Bachelor's Degree in 2008, only 59% had graduated five years later (Vital Statistics: CHE, 2015). This is often blamed on the inability of schools to prepare students for Higher Education however, we suggest that it is the universities that must accept responsibility and find ways to improve student success. In a system that is financially stretched, ineffective and inefficient use of resources has to be avoided.

The University of Mpumalanga context

The University of Mpumalanga was established in 2013 by the Government of South Africa as one of three new post-apartheid universities and embodies all the ideals and aspirations of an inclusive, non-racial, non-sexist, transformed and democratic society. In terms of its establishment charter, UMP is a Comprehensive University which provides the opportunity to develop a Programme Qualification Mix that balances general and professionally oriented education normally associated with traditional universities, with vocationally and technologically oriented teaching and learning programmes normally associated with universities of technology.

The University comprises the peri-urban main campus and its associated teaching farm in Mbombela, and the rural Teacher Education campus located in Siyabuswa. The two campuses of UMP serve very different communities and provide an opportunity for the University to broaden access and extend our reach and influence in ways that would not be possible without the Siyabuswa campus.

In 2014, UMP enrolled its first students into a Bachelor of Education in Foundation Teaching at Siyabuswa; a Diploma in Hospitality Management at the Mpumalanga

Regional Training Trust (MRTT) facility at KaNyamazane, and a Bachelor of Agriculture at the Main Campus in Mbombela. In 2015 a Diploma in ICT in Applications Development was added, and in 2016 an Advanced Diploma in Agriculture, a Diploma in Nature Conservation, a Bachelor of Science in Agriculture and a Bachelor of Development Studies were launched. The University plans to continue to introduce new qualifications in order to fulfill its mandate as a comprehensive university. Our enrolment planning and PQM development suggest that by 2019, we will have over 4000 students registered for more than 30 programmes across Faculties of Agriculture and Natural Sciences, Commerce and Business Sciences, Education, and Humanities.

The socio-economic development challenges encountered by the Province of Mpumalanga are of the utmost importance to UMP in shaping its future direction and strategy. These include:

- building on the comparative advantage of the Province in fields such as agriculture, mining, conservation and services such as tourism, to achieve socio-economic goals linked to national goals and priorities;
- embarking on concerted strategies and plans to improve employment rates in the Province, focusing in particular on youth unemployment (53,7% in the 4th quarter of 2015);
- improving the health and general wellbeing of inhabitants of the Province, and further afield, through expanded and improved education and training opportunities, supporting enhanced delivery of health and other social services, and the improved functioning of local authorities and concomitant service delivery². Once again, the central importance of universities and higher education in the achievement of these goals is highlighted.

As a new university, UMP benefits from a number of opportunities that are either not immediately available or are less easily pursued by the more established higher education institutions. We are well positioned to offer meaningful study alternatives to students in general but particularly to students from our rural feeder areas in the form of discipline based general academic programmes, disciplinary and multi-disciplinary professional academic programmes, and vocationally and technologically oriented academic programmes. Many of the qualifications include a period of work place-based learning in which knowledge and skills are applied in a real-world setting and which should increase the employability of our graduates.

² In this regard the Provincial Economic Review and Outlook of 2012/13 contains important pointers for the University

The University has enjoyed the relative safeguard of a special customised funding dispensation from Government that takes account of its existing and immediately foreseen developmental trajectory. While this provides security in the short term, the longer-term challenge is for UMP to become financially sustainable. The earmarked, and ring-fenced funding for major infrastructure development and renewal, creates the opportunity to design and build an African University that is fit for purpose without placing an undue financial burden on the institution.

The **Vision** of UMP is to be:

An African University leading in creating opportunities for sustainable development through innovation.

Being an 'African university' does not merely refer to UMP's geographical location but more so to its character and identity being informed firstly by an African paradigm of indigenous knowledge, culture and life orientation and secondly also by a broadly western paradigm of knowledge, culture and life orientation.

The **Mission** of UMP is

To offer high quality educational and training opportunities that foster the holistic development of students through teaching and learning, research and scholarship, and engagement, in collaboration with strategic partners.

Our mission defines 'what we do', 'for whom we do these things', and 'how we do them' and demonstrates UMP's unequivocal commitment to a high quality academic project as a platform for an enriching student experience in accordance with UMP's student centeredness in all its functions and activities.

The University of Mpumalanga has been established in order to create opportunities and indeed, we see this as our unifying goal:

- the creation of opportunities for students from Mpumalanga and elsewhere in South and Southern Africa, to enroll for high quality, relevant programmes that have been developed taking our place in Africa into consideration, and which are taught by excellent academic staff;
- the creation of opportunities for our surrounding communities who will benefit from our engagement activities; and
- the creation of opportunities for research centres to be developed that will address pressing regional and national problems.

In relation to our particular context we highlight the following:

1. the majority of our students come from and will continue to come from relatively poor socio-economic backgrounds. These students will require financial assistance in order to attend the university;
2. 10% of our students come from Swaziland and Mozambique, both relatively poor countries;
3. our students are likely to be the first member of their family to attend a university and will be relatively poorly prepared for university. This requires increased levels of academic and other support, which increases staffing and salaries;
4. through the incorporation of the Lowveld College of Agriculture and its Diploma in Agriculture, we have some programmes where the fees were heavily subsidized in 2015 and with the 0% increase for 2016 those fees are now several times lower than they should be;
5. we do not have a broad alumni base nor accumulated capital and are relatively unable to make a meaningful own contribution to student financial aid. However, we do have excellent support, at least in the short term, from the Province with the provision of some student bursaries.

In summary, we provide the following observations and suggestions:

1. a high quality higher education provides both a Public Good and a Private Good, and therefore the costs should be shared by both the nation and the individual. All the beneficiaries of higher education, be they the student who receives the education, or the employer of that student, should contribute the costs of that education;
2. considering the income inequality in South Africa, it is clear that some students will be able to pay fees immediately, and it is important that the University continues to develop and charge reasonable fees;
3. it is equally clear that many students will not immediately be able to pay fees and our focus must be on removing any financial barriers for those students who can benefit from a higher education. This is particularly important for the University of Mpumalanga since our aim is to increase access to higher education and it is likely that the majority of our students will come from poor socio-economic backgrounds. We note that this is in line with the Constitution, which states that “Everyone has the right to further education, which the state, through reasonable measures, must make progressively available and accessible”;
4. we support the implementation of a carefully nuanced and context sensitive means test that will separate those who can afford to pay tuition fees at the time

of enrolment from those who cannot. We do not believe that a single figure of R120000 per annum will satisfactorily identify those students who need financial assistance;

5. we believe that for those students who cannot immediately afford the fees, funding must not be barrier to higher education. The responsibility for providing loans or bursaries to these students, rests with all role players but the major responsibility should rest with the State to coordinate efforts;
6. we support the notion that such loans or bursaries will be recovered at a later date using the income tax system. We believe that such repayment must be eased by spreading the payment over a number of years and charging no interest;
7. in view of point 6, it is incumbent on universities to ensure that programmes are relevant and where appropriate a period of work place based learning is included. This will improve employability and facilitate repayment of funds;
8. as the University of Mpumalanga, we are committed to providing bursaries for academically talented students, and to continue to work with external sponsors to raise funds for such bursaries. These bursaries would not have to be repaid;
9. we are similarly seeking donor and other funding to support financially needy and academically deserving students;
10. we will continue to work on creative strategies to provide additional financial assistance to students including providing student assistantships and part time work opportunities;
11. in view of the need for students to continue with Masters' and Doctoral studies, we support the suggestion of writing off such debts for those who complete postgraduate studies;
12. we believe that there is an important role to be played by the financial institutions and that greater and easier access should be made to student loans;
13. we note the decline in relative terms of the direct contribution from the State towards higher education, and in an environment where these funds cannot be immediately recovered from most students, this creates a financially untenable situation. We suggest that the shortfall in funding to the university be made up by the public and private sector in recognition of the public good that higher education provides;
14. we believe that the higher education system must address the high dropout rate and in this way increase efficiency;
15. we believe that the higher education system must also explore all other avenues to improve efficiency;

16. finally we emphasise the urgent need to address this funding crisis so that important task of providing a higher education can continue.