

**VERBAL PRESENTATION TO
THE COMMISSION OF ENQUIRY INTO HIGHER EDUCATION AND TRAINING
(THE FEES COMMISSION)**

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1. GENERAL SECTION

- 1.1 We wish to reiterate that our presentation is based on our primary role as an organisation to represent the economic, job security and workplace interests of workers, both academic and support staff. We note with concern that nowhere in the ToRs or any other documentation relating to this commission is the term 'employee' or 'employee-representatives' or 'unions' used.
- 1.2 While we appreciate the invitation to be here today, it has been of great concern to us that up until now decisions have been made around this issue which have had, or will, have a significant impact on labour issues and the security of employment in the HE sector. For instance:
- no fee increase resulting in extreme budget constraints such as freezing of vacancies which impacts on teaching, research and general operating expenditures.

That would mean that we are here to defend the continued employment of our members.

2. SUMMARY OF CONCERNS

- 2.1 We recognise the issues raised by students, while it is difficult to support their actions and claims, as a union, our concern is the resulting outcome of these protests and its impact on our membership in particular and employees of HE and TVET in general. The focus of these protests comes across as a university sector issue, however, TVET institutions are as important in our considerations and deliberations.
- 2.2 The university part of the HE sector is a social and industrial good, producing solutions and generating knowledge – all of which is not cheap by any means. The loss of financial capacity to keep this going means the loss of *inter alia*: the ability to attract new entrants in the academic career track; and, knowledge and insight into our African society.
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Are we talking about qualified free education, or full free education?

2.3 There has to be resolution around whether we are talking about FULL cost of education (tuition, institutional residence or oppidan, board and lodging, travel from home to institution / within the institution's town / intra-institution etc.) or just tuition costs.

NTEU's concerns vis-à-vis members as employees

2.4 The failure of the state to resolve funding issues will carry the following consequences:

2.4.1 extreme budget constraints

2.4.1.1 failure to keep salaries up with inflation

2.4.1.2 failure of institutions to manage cost inputs against inflation and currency fluctuations with obvious consequences for our members and the sector's employees:

- freezing of vacancies
- impacts on teaching
- research
- general operating expenditures.

3. NTEU PERSPECTIVES ON SUPPORTABLES

3.1 We do not support

3.1.1 Increase in the VAT rate

3.1.2 Introduction of graduate tax on either university or TVET graduates (no money in it given the sort of capital, staff, maintenance and general expenses that face the institutions NTEU mainly deals with)

3.1.3 Increased taxation on business directed at HE sector (impact on graduate employment)

3.1.4 Any form of indirect taxation on income as a separate revenue form from VAT

3.1.5 Privatisation of universities

3.2 **Bearing in mind we must achieve:**

- 3.2.1 sustainable employment of NTEU's members
- 3.2.2 sustainable resources for knowledge dissemination (up-to-date lecture venues, practical facilities, IT, and so on)
- 3.2.3 sustainable value and quality in the delivery of learning given both professional and vocational expectations of students
- 3.2.4 sustained generation and dissemination of indigenous knowledge and South African academic texts

4. **WAYS TO ACHIEVE AFFORDABLE EDUCATION**

4.1 **Universities**

- 4.1.1 Conversion of the staff cost component of institutional budget into direct civil service structure and budget
- 4.1.2 The allowance for institutions to raise a capped amount from students amounting to some formula related to cost of maintenance for plant and immovable property which could be "negotiated through the CHE"

4.2 **TVETs**

- 4.2.1 We are conscious of the TVET institutions' role as an integral source of vocational education and training.
- 4.2.2 The budget for the HE and TVET institutions could be separated and the current scheme is retained for the HE institutions, but for TVET institutions this is total cost to state.

- 5. In conclusion, any decisions about free higher education centre on resolution around whether this is FULL cost or limited to tuition (i.e. covering capital purchases budgets, research funds per academic department and staff members, building maintenance and general running costs such as salaries and office equipment etc.)