

DASO Submission to the Presidential Fees Commission

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FREEDOM. FAIRNESS. OPPORTUNITY.

DEMOCRATIC ALLIANCE STUDENTS ORGANISATION

As DASO, we believe in:

- The values of constitutional liberal democracy and that education is the cornerstone of the liberation of all South Africans and the catalyst for the full realisation of the rights and freedoms guaranteed by our Constitution.
- The protection and promotion of an open and free educational environment based on academic freedom, equality of opportunity and respect for individual worth.



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Criticism of the Fees Commission

- President Zuma promised students in October 2015 that the commission will report back within 12 months
- This is significant due to the manner in which government appropriates money:
 - Free Higher Education is only possible if this is catered for in the budget tabled by the Minister of Finance which will be before the commission reports back in July 2016
 - This means that at if its current trajectory is followed, the recommendations of the commission would only be considered in the budget tabled in 2018 for implementation in the 2019 academic year



Criticism of the Fees Commission

- The Commissioners were only appointed in January 2016, two to three months after the President made the commitment;
- The Evidence Leaders were only appointed in March 2017.
- For the work of the commission to be meaningful, it must report in time for its recommendations to be considered in the drafting of the budget tabled in 2017.



INTRODUCTION

- The enduring financial neglect by the ANC government already threatens the institutions that are responsible for creating new the generations of skilled labour therefore putting the very future of our country at risk.
- A continuation in this trajectory will not only leave those who are most in need behind, but it will further compromise the objective of addressing socio-economic inequalities in a democratic South Africa.



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INTRODUCTION

On behalf of DASO, this submission examines:

1. The current financial status of Higher Education Institutions in South Africa
2. The impact of quality of education on the quality of lives for South African
3. Recommendations put forward by the DASO

This submission seeks to address the higher education funding crisis currently experienced nationally. We argue that the current national government is under obligation to provide the funding necessary to address the current funding crisis.



HEI'S CURRENT FINANCIAL STATUS

- South African Universities are inadequately funded which leaves them in a precarious financial position.
- Teaching *and* research are critical for the development of highly skilled academics, workers and researchers. It is important that both these activities are adequately funded.
- 'Fees Must Fall' movements are symptomatic of government's failure and transitory band aid solutions.
- Fees have been rising at often double digit increases because state subsidies have been decreasing in real terms.



HEI'S CURRENT FINANCIAL STATUS

- Higher education institutions require funding for infrastructure, staff, better quality of research and teaching amongst other logistics which help maintain universities.
- The current government's approach to higher education output has largely been determined by the quantity of students without funding these ambitions appropriately.
- Without adequate funding, this only overstretches the limited resources of universities thus diminishing the quality of instruction and research and exacerbating an already high dropout rate.



HEI'S CURRENT FINANCIAL STATUS

- Historically Disadvantaged Institutions, mainly located in poor, rural areas, serve in the main poor students who are ill prepared for higher education studies and mostly dependant on the National Student Financial Aid Scheme (NSFAS).
- While the NSFAS budget has steadily increased over the past few years, this has been negated by student fee increases that have, in some instances, been higher than inflation.
- Adequate levels of NSFAS funding are vital to ensure that no student is excluded from higher education on the basis of its affordability



HEI'S CURRENT FINANCIAL STATUS

- The under-development of HDIs has limited these institutions from effectively pursuing their missions and establishing themselves as vibrant academic enterprises.
- The continued state of under-development of HDIs is not tenable and should not be allowed to persist indefinitely.
- Recommendations to the higher education funding crisis should consider the differences in student needs and identify gaps in a tiered approach.



IMPACT OF QUALITY OF EDUCATION ON QUALITY OF LIFE

- Education is the foundation of the liberation for all South Africans and serves as a great engine of personal development. Access to higher education is a fundamental basis for economic empowerment.
- Student fees therefore need remain affordable to allow for greater access for the poor, working-class and middle-class families.
- The chronic underfunding of students and universities has a detrimental impact students, particularly poor students.



IMPACT OF QUALITY OF EDUCATION ON QUALITY OF LIFE

- The sustenance of higher education – achieved with sufficient resources – is a necessary condition for economic sustainability and growth.
- Institutions of Higher Education further have a responsibility to produce the professionals that we depend on to survive and prosper as a modern society.
- By cutting corruption and reprioritising the existing budget, free higher education for the poor with support for the missing middle can be made a reality.



RECOMMENDATIONS

- The system should focus on the numbers of high quality graduates it produces rather than the numbers it takes in to ensure the greatest possible benefit from each Rand spent.
- University subsidies from government have to be increased. DASO's position is that this must move towards the level of 50% of costs so quality education and support to poor students and the "missing middle" can be provided for.
- Infrastructure must be invested in, particularly at HDIs.
- A minimum set of standards for student support which guarantees the opportunity for academic success must be instituted.



RECOMMENDATIONS

- Our recommendations are as follows:
 - † The poorest students need the most comprehensive financial support possible – no student should be denied an education because they are poor;
 - † The “missing middle” students should also receive financial support, proportional to their financial standing, with those most in need receiving the most support;
 - † Better-off students should not receive financial support for fees, as they are able to pay for their studies themselves.



RECOMMENDATIONS

- NSFAS can still be used as a vehicle to assist the poor and missing middle with the cost of study and other costs.
- This would mean, that in addition to increasing state subsidies, NSFAS must be funded to the extent that:
 - All poor students are fully funded (fees, accommodation/transport, books, meals) and have their funding converted into a full bursary upon completion of their studies;
 - The missing middle is progressively supported proportionate to their family incomes;
 - Academically competent students are funded for their post-graduate studies.



CONCLUSION

- The lack of appropriate funding from government, in the form of subsidies paid to universities, has led to unsustainable annual fee increases and high failure rates.
- Much of the current crisis has to do with poor thought out funding plans to support government ambitions.
- With a well-run, corruption free government, there would be sufficient funds for free quality higher education for the poor with significant support for the missing middle.
- The level of funding must be linked to an increased percentage of GDP.

