

# TRANSCRIPTION

---

## *Commission of Inquiry into Higher Education and Training*

---

***Chairperson*** : Judge Jonathan Arthur HEHER

***Commissioners*** : Advocate Gregory ALLY

: Ms Leah Thabisile KHUMALO

**Evidence Leaders**

: Advocate PILLAY

: Advocate LEKOANE

: Advocate ZULU

: Advocate MABUDA

**Expert**

: Prof T Mosia

: Dr G Simpson

**Witnesses:-**

(1) Doctor PARKEER

(2) Doctor VAN STANDEN

(3) Ms WHITTLE

(4) Mr Z JOUBERG

***Date: 10 October 2016***

**Venue: City of Tshwane Centurion Council Chambers**

**CHAIRPERSON:** Good morning everybody! Welcome to this session of the Commission. What are we today? Mr ZULU are you in charge?

**Mr ZULU:** That is correct Judge but my colleagues I am sure they are also welcome to ask some question.

**CHAIRPERSON:** Yes. Which witness are you leading today?

**Adv. ZULU:** The witness is Doctor PARKER from the Department of Higher Education and Training.

**CHAIRPERSON:** Welcome Doctor PARKER again. Doctor PARKER you are still under Oath statement of the previously.

**Dr PARKER:** Yes.

**CHAIRPERSON:** Thank you.

**Adv. ZULU:** Thank you! Doctor PARKER from your presentation last week it appear that to me that there is still imperatives the Higher Education System so it further it further appear to me that...

**CHAIRPERSON:** -Sorry Mr ZULU I am not hearing you clearly!

**Adv. ZULU:** Sorry Judge I will raise my voice.

**CHAIRPERSON:** Please!

**Adv. ZULU:** Doctor PARKER last week from your presentation it appear to me that the Department of Higher Education and Training is facing certain challenges about

transformation. It further appears to me from the reading of the various Reports and the Policy documents of the Department of Higher Education and Training that the goes of apartheid is still lingering within the corridors of the entire education system.

What I want to know from you is: - what majors? I know that there are many majors that the department is putting in place but if you could perhaps tell us what are the challenges that are facing in the Higher Education system. What are the majors that you have taken as the department to address the issues surround the transformation?

**Dr PARKER:** Thank you very much! I think if you look broadly at the challenges that are facing Higher Education there are quite a few specific challenges that we have identified and they are all link into the whole need for the development and transformation of the system. We have identified a number of key areas where are facing challenges.

- (i) The first one obviously is the universities funding. The funding of the universities and that is just around the baseline funding in terms of ensuring that the enrolment are effectively funded.
- (ii) The second part is around students funding. Ensuring that we have sufficient students funding to support poor students to full cost studies baseline and to ensure that we are able to extend that support so called Missing Middle students. This would allow all students to access Higher Education without having a problems of financial need.
- (iii) The third area we will have challenges is around the size and the shape of the system itself. The system currently together with private Higher Education institutions are cater for approximately 1.1 million students.

There is target in NDP to increase that to 1.62 million students. What we needing to do is to ensure better differentiation of the system so that we have quality Higher Education across all bends. Then we assist the system in terms of steering and to develop all the better various programmes that are required.

- (iv) The forth challenge is around students success. We have open up access to Higher Education quite automatically although they may not be sufficient but what we really have to do is to assist the system to work toward better success in a system. It is particularly around issues link to the true put of any particular curriculum and the quality of the education that they have received.
- (v) The other one is around staffing. So the next challenge is around stuffing about our system particularly in universities. We know that we have an aging academic stuff that we have at the top management of the staff that is still largely white male we are needing to work on transform staff for the system and that include the developments of stuff qualifications.

The NPD has a target that 75% of our stuff in our university system should have PHD's and currently we are at about 43% of the stuff with PHD's. We do know that we need to attract more young black academics into the system and to retain in a system.

(vi) The last one is around the research and specifically around improving research output improving the quality of research and improving the issues of around the production of the PHD's. The NDP does have the target that we should be providing 5 000 PHD's per annum.

And currently we are working on around 2 200 per annum. All these things together are what we are focusing on when we talk about the transformation of the system changing the system towards better quality and ensuring that we are able to provide this in an affordable way.

(vii) Just other one thing that I'm have been reminded out here is also the need for us to ensure that we are develop the right kind of professional for the system in terms of the professional education and that also link as well to this whole issue of on topping your real education.

**CHAIRPERSON:** Sorry I didn't quiet follow that! Would you explain that please?

**Dr PARKER:** Just in terms of developing the professions and producing in terms of the size and shape of the system producing the right kinds of professional qualified individuals for the economy.

For example the right kinds of the Engineers not just Engineers but the Engineers in the right field, the various Accounting professions and the various Medical professions and so on. So all of them in terms of steering a system better to produce the kinds of professional require for the development of the economy.

**Ms KHUMALO:** I didn't get it! What did you term it as an item?

**Dr PARKER:** The production of professionals.

**ADV. ZULU:** Thank you Dr PARKER. Thank you for your respond but I'm not sure that I got a respond from relating on my question on transformation. Are you able to state to the Commission today that the entire education system is now completely integrated and in other words you as the department you have been able to address the legacy of the apartheid?

**DR PARKER:** Perhaps I wasn't clear enough, this challenges are identified, are all the challenges of transformation system for us and this are the things that we are working towards. When we have truly transform system we will have doubt to all these challenges.

Currently we have transformed the system quite domestically since 1994. If you compared the system to the system in 1994 you will note that we increased the access in mostly and the availability of spaces. We have double the spaces in public Higher Education. The rational profile of institutions within a system have changed constable. We also have changes academic side but the academic side has much slower to respond.

We have intended to assist students not denying the access due to financial need. However the system still is in process of change, we will look at the system right now, we would want a transform to look like. It is moving towards that but the challenges are real challenges.

**Adv. ZULU:** Thank you Doctor. My next question relate to the responsibilities in the University in the broader Social and Economic Development and having regard to the fact that the universities are autonomous. How are you as the department able to deal with some of issues that you are highlighted?

Because let me tell you Doctor the issue of university autonomy is going to be discussed in details in the next set but I just need the idea from you on how you able to do with some the issues of university autonomy?

**DR VAN STANDEN:** Thank you very much. The Department does fund the Universities through a funding framework that there has a number of different aspects towards. It has to Block a Grant aspect tools which is determine through the performance of the system which is impute funding that is come in there base on the enrolment in the system and there is other aspects and funding as well for that base on the production of graduates in the system.

That provides for the baseline Block Grant funding to the system. We also have other funding and that is called Earmarked funding. The Earmarked funding is very specific and is really utilised to help drive transformation. So currently Earmarked funding consists of one National Student Financial Aid Scheme which is focusing on supporting poor students into Higher Education and assisting with the transformation of the student body.

Secondly we have a number of other grants that are very specific in improving the quality of what is happening in our institutions and drive transformation. This is including the Teaching Development Grant, the Research Development Grant, the Clinical Training Grant, Solid Disadvantage Institution Grant, there is also

infrastructure insufficiency Grant. Each and every Grant they are very specific purpose.

If we look at the Teaching Development Grant, what we are trying to do with development is to steer University to improve the teaching and learning at Universities. And in that Grant each institution was requested last year to develop Teaching Development plan. Each of those plans is to show that they have to show that they will improve in imputes. For example we monitor them.

On a real basis we write monitoring report as well as that we visit all the institutions in we check how funding is been used and we utilise it to support Universities to developing those areas. That is in relation to all of this areas. That is how we help to steer the system.

The system itself it set up from a Policy perspectives' to say that the three key aspects to steer the development of the system. Even though we talk about Autonomy there has be Public Accountability but within the steering mechanism plan the one is planning and utilise planning as a major aspect to steer that.

The second one is quality assurance and we will rely on the Council of Higher Education to deal with the issues of quality assurance.

The third one is funding. We link the funding directly to the Enrolment Plan. In fact we have and we do on yearly basis and in our analysis we are monitoring the system. If the institutions are using the funding correctly and if they used incorrectly they can penalised in in various ways.



Either funding is been withdrawn from them or funding is moved into other categories. So that is done on a regular basis every year. We write for the department through Evaluation Monitory Report for all the various work we do across the system in a yearly basis.

**Adv. ZULU:** Thank you. These majors which the Department has put in place to ensure that the system is transformed have they been received well by the Universities or are you facing challenges?

**Dr PARKER:** -For the Department to work with these institutions so if I take for example the introduction of (I'm just gonna this as an example the Teaching Development Grant as an example).

What happen there was that we are recognised the need for it. They had been in a Teaching Development Grant that was provided on the basis of simple the numbers. So that the institutions that went they didn't have great success they got more money so that the institution can get success.

There was Ministerial Task Team that are look into this and then they made the suggestion that instead of doing in that way we should create a single fund to provide funds for all institutions and then we work with the institutions. So we then did that, we developed criteria for the fund, we work with the institutions to get agreement on those criteria and we certainly didn't have any negative feedback from the institutions.

In fact institution have been very helpful that seeing an important of having Earmarked funds that indicated that they didn't have Earmarked funds and the funds would be utilised for this purposes and they would be utilise for this.

Therefore there are supportive for this funds. It is a similar process that we under gone in terms of most of the funding that has been made available to institutions.

**Adv. Zulu:** Thank you! Last week remember you mentioned, I just want you to explain to me again. Last week you mentioned that the government funds, all the foreign student including for those on SADAC countries. Can you just explain how does it work practically, the funding of this foreign students?

**Dr PARKER:** What happens to our funding framework is that institutions get funded in a Block Grant in terms of the Enrolment Plan and the Enrolment Plan includes all students. Foreign students are not separated out from South African students and therefore they are all subsidised at the same level.

So from government point of view whether you are South African student or whether you are an international student, are you from the SADAC or from the rest of the rest of the world you will be subsidised for your particular programme at the level of that programme in respectively of where you are originated.

**Adv. Zulu:** I...

**Ms KHULALO:** -Sorry Advocate! Can I follow up on that point of the subsidy of foreign students? Is the main test as South African one or do you consider to exchange rate?

**Dr PARKER:** Thank you very much. When I'm talking about the subsidy that the government gives we are talking about the funding that goes into the Block Grant. We are not talking about the fee that the individual might have to pay for studies, we are talking about the subsidy that coming from us and we treated them same.

However individual students are often subsidised by the government to come to South Africa. And there are certain fees that the institution will levy for foreign students that all and above the normal fees that they will levy South African students.

The study agreement is that up to 5% of students from SADAC will be charge the same fee and treated as South African students from the institutions point of view.

**Adv. ZULU:** Thank you Dr PARKER. The Lord has been said about in this.

Information has been placed before this Commission about the National Development Plan with regards to the department enrolment plan so I just refer you to Chapter 9 of the National Development Plan amongst others.

That it is on page 263 of the document, it says (I just quote one paragraph) “create an educational and national science system that serves the need of society, increase participation rates in Higher Education to more than 30 %, double the number of scientists and increase the numbers of Africans and woman postgraduates especially PDH’s to improve research and innovation capacity.

This will help to accelerate the transformation of South Africa scientific and academic communities to better reflect the population. Develop African languages and incorporate indigenous knowledge system in education and research”.

Doctor you have already indicated that when it comes to the universities the plan is then by 2030 the system should be able to absolve 1.6 million students at universities. Do you think that this is achievable?

**Dr PARKER:** I think in terms of the targets that we set in the National Plan, they were set at the time that we might have been in a different economic context. In terms of our own Enrolment Planning processes I am sure you will be aware that we do have a rolling Enrolment Plan. The current Enrolment Plan has been put in place for 2014/2015 to 2019/2020 and is a six year plan and currently this year we are in the mid-term review.

When we negotiated with the Universities around enrolments and output for the system for all this plan we were all very clear that FISCAS situation was not looking good. During that Enrolment Plan cycle there was a lot of discussion around Universities and ensuring that the planning was realistic.

It did fit in the physical reality not expecting huge additional amount and baseline like funding or the National Student Financial Aid and also within the context of the funding that was made available for the Infrastructure and Efficiency Programme. At the time the Universities came back and said they forwarded the realistic for us to go to 1.9% per annum.

That would perhaps not have met the final target that we will be close to it. However we currently given the context, we given a challenges that we have experiencing since 2015.

The fact that we are undertaking mid-term review at the moment and in the mid-term review planning meeting at the beginning of the year when all the realities we looked at it was recognised that will be unlikely we could even keep up with 1.9% per annum on average increase.

During review we are planning down towards the 0.9% increase per annum going forward. Unless there is major there is major injections of additional funding and a change in the context that are likely that we could go to about 0.9% per annum increase. I am not sure whether that will get us ready to 2030 but is not going to be quiet enough to get us the targeted 1.62 million students.

**Adv. ZULU:** Thank you! Can you please... (Is just because this has been worrying us). Can you please comment on some information that was placed before the Commission by Professor MAKGOBA (the national Chairperson of the National Planning Commission)?

He told the Commission that this target is entity target realistic and they were well researched from around the world in certain factors like certain factors, certain factors they looked at certain factors within South Africa. There was a properly search done and at the time those targets were set so those that those targets were achievable and according to him in fact those targets are still realistic?

**Dr PARKER:** I can't answer for what Professor MAKGOBA said. What I'm aware of is that the National Development Plan was developed by Experts. Those Experts worked in isolation from the Department of Higher Education and Training. They did not received the information from us in terms of the specific enrolment planning processes. So they were working from the figure that they were seen as realistic.

I can't say whether or not they considered the physical situation and the funding of the system. From our perspectives and understanding they were working from what they would see and deal in the context where there was made available to provide for that.

We certainly would said had the system continue to grow the way it was growing in the previous Enrolment Planning cycle so the cycle went from 2010/2011 to 2013/2014. That cycle the system did grow to about 3.4% per annum. If you went to project that kind of grow forward assuming all things equal and assuming that there would be no changes of this you could expect to get those kinds of figures.

I'm assuming that they did use real figures, they did used what was on the system and how they made those kinds of projections.

**Adv. ZULU:** Thank you. You agreed that without like seriously expanding the infrastructures of the Universities it cannot be easy, is not going to be easy to achieve the targets which are set out in the NDP.

**DR PARKER:** I'm not sure that it actually relying on the infrastructure development process. The one aspect which is unknown and which really difficult to see is the issues of students housing which is become something that has raising itself now will be an expectations by students and the majority of them should be in University student housing that make the challenge for the system.

In terms of the infrastructure development programme we have develop infrastructure development programme and we have working with the Universities to improve infrastructure to get in Enrolment Planning circle and we do believe that there are ways of increasing the number of developing efficient particularly through the utilisation of ITC with the caution that we need to ensure a success in relation to that.

I don't think it is because the infrastructure that we will be limited. The limitations are other aspects of funding the institutions in terms of the Enrolment Plan and obviously in student housing. I was very interested but this is about the side but I think it is an important thing.

Recently engaging with our partners from the BRICS countries to find out that there are expectations in those countries (for example Brazil) that University should provide infrastructure. University education in Brazil is apparently for public institution is free in terms of duration but there is no student housing provided at all and that is a very interesting fact.

**CHAIRPERSON:** So Doctor PARKER I am just surprised here on what you are saying because in the Ministerial committee report that we have received which is not yet been released the projections for the custom standard is pending, are very high indeed.

And it is very difficult to understand how you can say that you have this well development infrastructures pending programme when the prospects of catering for the number of students will be accommodated if it is the NDP is satisfied with the necessary infrastructures perhaps from financial point of view it is very small. I am not sure how you can solve that you are telling me.

**Dr PARKER:** I am not sure which Ministerial report was not released but I ...

**Adv. ALLY:** -sorry Dr PARKER is a report compiled by Treasury, Department of Education and other on that report.

**CHAIRPERSON:** Do you not know about that report?

**Dr PARKER:** We know and we are very aware of that report. That report is best on assumption that everything stay as it is in content of ranks and they are working on...

**CHAIRPERSON:** -They work on different scenario?

**Dr PARKER:** Yes. Included it that is the students housing infrastructure and students housing infrastructure is the infrastructure that is the critical infrastructure if we were to provide that. Perhaps just to renew my answer my answer, is not necessary the infrastructure for the teaching and learning that will be the big hampering aspects at the infrastructure at students housing.

We currently have infrastructure efficiency programme of around 2.2 billion per annum and that programme has supported and improve infrastructure to cause the system.

We do have back locks in terms of infrastructure and we have back locks in terms of third infrastructure and we are working on that with our system and we don't see the infrastructure as the major inhibitor in terms of teaching and learning. The major inhibitor will be students housing infrastructure in funding to actually fund programme equipment and so on.

**CHAIRPERSON:** I must say then I have seen the report because it appear to me that there is dealing with the infrastructure on a much worry basis analysis to task.

**Dr PARKER:** It is dealing with the infrastructure on a wider basis, it does do that but I think that the report itself covered that whole wide range of infrastructure so that is students housing infrastructure, I am saying in terms of the back lock in students housing we are talking around about for the Universities system alone 205 000 bids and that will cost depending on the link of time that was dealing with that and something that we generate around hundred billion.



So that is the big-gig infrastructure because that one is talking about. There are obviously are there infrastructure because there were involve the expanding the system but if we utilising 21<sup>st</sup> century categories and IT system effectively and efficiently and re-looking at the way in which we offer Higher Education about the content institutions and the distance institutions it will not be the infrastructure cost that will be the major imperilment to getting to that numbers.

**Adv. ZULU:** Dr PARKER it is important that whatever majors that whatever majors that are punting in the department to improve the system they must be sustainable. We have heard that in the past that the FTE funding is declining all over the years. What majors do you have in place to ensure that the system is going to be sustainable?

**Dr PARKER:** I think in terms of the sort of history of how this happen. When the enrolment plan processes...

**Adv. ZULU:** -Sorry! Particularly in terms of your enrolment planning, maybe that is where you can direct your answer having in mind that is related to enrolment planning.

**Dr PARKER:** I think when the enrolment process first started there were a number of targets that we identified and sit in negotiation with the Universities.

However there was not very strong monitoring process in place at that time. There was a situation where some Universities over enrol quiet possibly and particularly in term of access in impute funding.

And on later we met when that was tighten up with enrolment planning processes to make universities more accountable for what it was that we do that we were able to sort and ensuring movement which we should growth.

And we looked at our process for the 2011/2012 and 2013/2014 enrolment planning they were already indicating to institutions that look you need to deal to this issue, we have to deal with the underfunding and the other funding in the system.

We call that under funding and other funding but as well as we now that are in enrolment and under enrolment in the particular institutions. We had to deal with that, if institutions planning to provide spaces for someone student we need to try to move toward that understanding that it was difficult to do that exactly we indicate to institution that we will be monitoring them to move toward into 2 % in the side of any particular target.

That 2% it seen as a reasonable variation in a particular target so at that stage we had warned institutions that if they didn't stay with the particular variation of the target the department will start penalising them and particularly penalising them by only funding the actual numbers and giving them penalisation in terms of the overall under enrol students. That was implemented for the first time in 20...

-I am not sure which year we implemented that for the first time. We understood that we need to have some leniency because they have been in practice in a system.

So what was instituted for the first time at the five percent variation on the targets and the number of the institution were quiet penalised for that, funding they thought that they will be getting that they can get. Because they hasn't met those targets.

The funding met was sort of save from that was then redistributed quotable the costly system so that other institution will have to keep to mange to keep in the planning processes where we want it and that the institution get little bit more.

We then work clearly and we gonna make sure that this implement is going forward and we will be marry toward 2% that has been recommended in Ministerial report on funding.

That process we have been implementing every year and institutions are moving towards the management better management of the enrolment. The whole point of management to be involve is to ensure that we don't end up with situation where the Universities or students are highly underfunded but other that we fund the system very quickly for the students who are there.

We recognised that the importance of opening our access in making spaces available is something that institution are facing in a daily basis because they are under pressure to take additional students in from the communities.

**Adv. ZULU:** Thank you. Dr PARKER the issue relating to access and success are some of the guiding parameters for the sustainability of the system? I want to know what has been done to ensure that there is a success. Remember we had a brief discussion about these issues last week. Maybe you can highlight us about what has been done. Thank you.

**Dr PARKER:** We had at the past the number of programmes that has supported the Universities to improve the success. The first one is the foundation programming programme.

That programme provide the Universities to offer extended programme or flexible programmes which will able them to support students who are under prepared for Universities education and to help them through success.

We also have Teaching Development Grant. Most institution has programmes in place that we found and we work with them on in order to improve:-

- (i) The first year experience of young people coming from the Basic Education to monitoring programme to face experience programme and writing centres and (language programme for example) to assist them in finding a fees in getting to the Universities to assist them to succeed.

The Teaching Development programme also works with Universities teachers providing development and opportunity to improve the curriculum development processes and ensuring that there is better teaching in a system that students are supported better to progress. The whole range of progress are supported through that and we do write a monitoring report on the kind of programmes that are putting in place.

- (ii) The other one is the Clinical Training Grant. That is the Grant that are also available to ensure success on the medical fields and science and that particularly focus on ensuring that there are good clinical training for all students at Universities.

One of the difficulties that we have is that work in the integrated learning what is funded to the clinical Grant and science Grant to those field not necessarily well funded in other fields although programme are been putting in place with support from SITA to assist in those kind of programmes.

As particularly the case of Universities of technology where there is an expectations of working to grade learning in a situation like the development of teachers where practice teaching is part of the institutions.

**Adv. ZULU:** The Commission has heard that some students or too many students they remaining in the universities for the long time. What I want to know is whether during your enrolment planning did you take that into account that some of these students remain in the system for very long time.

And a lot of money lost by the department in funding these students. Have you have ever costed the amount of money that is lost due to these students remaining in a system for very long time?

**Chairperson:** Before you even ask that question whether the department has the Policy on the whole issue of students remaining in the system.

**Dr PARKER:** Thank you very much. I think the issue of progression in the system is doubt with the Universities level. Each University has its rules in terms of students been able to progressing system.

They generally do apply those rules and students are excluded on an academic basis on each and every year, in fact in the department we have particular section specifically as section which get complain and we have go and follow up on complains due to the academic exclusion. So academic exclusion is do happen at the Universities level itself.

From the department point of view and from my enrolment point of view link into the whole idea of the integrated planning ensuring that we support students on a best ways as possible.

We emphasise with Universities the important of student success and in fact I think is to say that in the last enrolment planning processes we have severally pushed the fact that the Universities need the success rates of students and need to improve the normal rates of students.

We had a success rate in 2014 of 75 % of a full time lodge will be expected to pass 75 % of that lodge and we are aiming at in 2017 to reach an 80 % success rate. That is including justice and content institution. We have not costed the sort of what is lost due to linking fund on system in our country.

That is generally form grade one from Universities, any that is coming from grade one approximately one million of children will come in. 1.2 will come in those who come out and write matric at the end are around half of 600 000 and that 600 000 are those make to the Universities and approximately 15 % of the total that started into the Universities system in the first place.

Of those students who come in we looking currently depending on the programme that are in and we do see cargo study show that is greater through some programme.

For example in medicine we have very high rate report and in only diploma we have very low rate report but it depend. In every impute we have 52 % for content in distance education.

If you look at content is around about 64 % for content students and around 14 % for the ten years the distance education students. So is not good enough but it is improving at we can see the improvement of the last ten years as we doing the studies.

We are omitted to do studies on a continuing in spaces and to working with the Universities to ensure that they develop the data analytics and the students advised with services and they support services in order to success.

We currently do a current hold on NSFAS and NSFAS has also done some work in relation to looking at the drop-outs.

I think I have covered your question. When you asked that “does the department itself have a Policy around?” I think is not necessary but the department has a Policy that each and every institution has to have an academic progressing policy.

**CHAIRPERSON:** Doesn't have the policy?

**Dr PARKER:** The department has a Policy around how it develops enrolment plan, how we fund students in the system and so on but we don't control the academic progression of student in the institutions. The institutions set the rules progression at the institutional level. We do have progression rules students. NSFAS has rules for progression for funding students.

**CHAIRPERSON:** The reason why I ask you this question is from what you tell me this morning. I was listening to you remind me the divine rights of Kings and the growth of the Parliament where the King thought he over power but the Parliament knew that if he wouldn't have the money he would have no power and that is exactly the relationship that you better have with the Universities.

In regard to the question of the students remaining in Universities despite the fact that the substantial derain on the public finance to do so. I'm sure that you have means on exercising power of Universities if you decide to do so. That is why I want to know if you have a Policy.

**Dr PARKER:** Perhaps the Policy is requesting to stay in those particular targets because the targets are not only for enrolment, they also for the output so that there are number of graduates and for research.

Chairperson: If let says we don't mind student to remain at the Universities for ten years because he is getting a student Grant. We should care! What we shouldn't do that?

**Dr PARKER:** We don't that because in terms of the Grant of the students fee which is NSFASAS the maximum time that they would be able to receive the grand and also have to progress significantly along the way.

For example the NSFAS rules a student to receive NSFAS for the first year has to receive the progression in Universities and have participate 50 % of the courses. They have to complete the entire programme in a minimum time plus two years. So that is the NSFAS rule that create that.

**CHAIRPERSON:** I not sure what you mean of the progression rules of the Universities. Is that mean even though you don't pass you may still remain at the University?

**Dr PARKER:** University is each and every individual progression rules, I don't know what does in all Universities. Universities are used to teachered so we couldn't just stay there. I don't think there were many Universities that allow that.

I think the Universities do not exclude academic Grant if they do not meet the progression rules. So in a particular degrees says like is a science degree there will be specific rules, you will have to pass so many subjects at your first order to stay in the Universities and continue to you second year.



If you don't there should be a possibility that you could be allow you to apply for different programme. Definitely the Universities will exclude students in different academic progress.

**CHAIRPERSON:** We have been told that one of the problem is that number of three years degree is end up being completed in six years and there are number of people who are not completing in six years either. So what is going on?

**Adv. ALLY:** I am just to give further content, in 70's I recalled prospective indicating that you must complete your degree within ten years otherwise you will not graduate. That is the content for where I am coming. I am told that could be change now adopted from the study coming from the University sector that has been at University previously.

Perhaps you can assist Doctor PARKER in terms of what is the system that they have now. Now the progression rules and limiting a person with the number of years that you should stay in the campus before you can complete your degree. Perhaps you can clarify and indicate what the system really need.

**Dr VAN STANDEN:** Thank you very much. I think I...

**CHAIRPERSON:** -Just put yourself on record.

**Dr VAN STANDEN:** Ok. In terms of the technical understanding is that based on the progressive rules on the accumulation of credits. That accumulation of credits is the usually and it should be principle in Universities to state that you have to accumulated 50 present of that year. Therefore it might lead that if is a diploma it then extent to three years with other ways when is still for four at least the 50% through.

UNISA is a different story because of the distance usually it should be and they do allow for double time. So in other word if you do four year degree they do allow for double time. If you are doing four year degree they allow you for the additional four.

**CHAIRPERSON:** Sorry! It show that if is about three year degree and the requirements is 50%, does that implies that can finish your degree in six years?

**Dr VAN STANDEN:** Remember not every year. It work out in terms of the calculations to finish a three year degree.

**CHAIRPERSON:** Therefore nobody should be at the University for more than six years.

**DR VAN STANDEN:** In general but it doesn't really work in that way. If you remember you can be that person each year just make 50 % or more and then the accumulation that is work out. What also in terms of...

**CHAIRPERSON:** -Sorry I don't understand! That means nobody should be at the University for more than six years. If the rule is to say you must make 50 % then how can you be longer than six years for a three year degree?

**Dr VAN STANDEN:** It means also on what credits is your major they need different scenario in permutation.

**CHAIRPERSON:** So how long can you stay at University?

**Dr VAN STANDEN:** The norm is the degree can...

**Chairperson:** -Not for the norm! How long can you stay at the University?

**Dr Van STANDEN:** It depends on...

**CHAIRPERSON:** -For an undergraduate degree?

**Dr VAN STANDEN:** It doesn't stated but it stated in the academic progression Policy and that is different from institution to institution.

**CHAIRPERSON:** Do you know what this Policy is all about?

**Dr VAN STANDEN:** Yes we did analysis of that Policy I think in 2010/2011 to see in terms of our monitoring function what is the standardisation of practices.

**CHAIRPERSON:** And?

**Dr VAN STANDEN:** I can't remember but it came about in the form of same kind of methodology that the Universities applied.

**Adv. ALLY:** Ok. Look I do think the department at the University sector we haven't spoken about Team sector but I think it is important from the Commission point of view to understand. If you are putting State money to our institution or any institution must be some checks in balances.

One of those checks in balances is you said the enrolment planning is the characteristic and so fold. But if you don't have knowledge of the system apply in different Universities it creates problems.

So perhaps the Department can provide whatever information you have in respect of those aspect in what you called progressive rules perspectives or guidelines so that as a Commission we know that there is no bottom as part of funding and therefore they applications for those funds to the Universities is been look after. So in that fear that we are looking at this particular issue.

**Dr PARKER:** Thank you. Maybe I can say that the Department as we said that are manage the progression rules. We are very aware that every single University does have progressive rules. We also very aware that each University will have a maximum sort of time to allow a student to complete.

Generally we have been encouraging Universities to look at the students who is not able to succeed early on to advice that students, to advice with services into different path way. That is what we have been doing.

In terms of the checking balances I think there many balances I don't think that there is bottom aspects so the idea is there. Secondly there are any doubt for issue of students staying long period of time. If you check UNISA for example the maximum stay is ten years.

It could be ten years for four year qualification but I think in terms of the overall process that we deal with there are number of factors that need to be taken into account. One of that is a large number of the students coming to the system not been provided with sufficient career advice or the right kind of the advice and that is another aspect that has to be doubt with.

I think the Department has got a long way in terms of developing career development services and as we introduced the application services that Doctor VAN STANDEN has spoken about at the other day.

Those will be integrated and I thing that will going a long way to help with the efficiency I assisting a system as well.

**Adv. ALLY:** Doctor PARKER what we are asking to at this pointing time is we are not sure of what is. If the Department have the information to provide the information through the evidence leaders that information in relation to progression rules and how long it takes.

It is a fact should each and every University will tell you, you can only stay in my time for ten years doing an undergraduate degree and no more if you lose that particular time. So that is all in that point we are asking to.

**Dr PARKER:** We can also ask the Universities to provide us with that information.

**CHAIRPERSON:** Doctor PARKER from academic point of view what is the justification for person to stay at the University on the basis of 50 %? I am not talking about special circumstances but from academic point of view.

**Dr PARKER:** My understanding is that really each and every institution has its own view but in terms of the first year one can understand the young person coming into the University and inquiring additional support giving the circumstances.

I am not sure whether I can answer that question fully but my understanding from suddenly when I was at the University system it was about allowing the development of the process. Doctor VAN STANDEN can you answer it?

**Dr VAN STANDEN:** Chairperson it was very interesting that you have recognised where the students are coming from and so the rational of the students to get the Degree or a Diploma base on the education of this disadvantage which they came into. That is recognise and we call them unprepared or under prepared students.

If you look at the foundation that we have it takes time and if you look at the foundation it takes time for those students.

**CHAIRPERSON:** She have been told that the three year Degree can be finish in six years.

**Dr VAN STANDEN:** Sorry Chairperson just repeat.

**CHAIRPERSON:** one just told me that a six year Degree you can finish in three years if you work hard.

**DR VAN STANDEN:** That is why we have implemented a progression programme to extend a curriculum programme so that there is no way of revising that policy to allow student to be groomed like in a better way in your first year of study.

So that they can go into the succession programme for the first year or they can extent the first year over two year in different ways of doing that. Is really that the three year degree become four year and four year degree become five years.

**CHAIRPERSON:** I think if you said first year because is easy to understand.

**Dr VAN STANDEN:** But is extended now in terms of the performance of our students we find it is not only now only at the first year is right true so that the students in psychology need a testical analysis and mathematical skills.

Now we found that they didn't have the foundation learning in basic education. This foundation will stand as curriculum programme for provides now a University aces to funding to support that student in okmetting the competency of that students in the field.

**CHAIRPERSON:** Is this 50 % implies in the medical students?

**Dr VAN STANDEN:** I don't know! I think we need to go to determine like I said there is a no but it is apply across the border but what we found is that at the beginning our NBC has to be to assist a Medical Students not they will not extended programme even more and more we get the Universities applying for that grant in extended programme in NBC.

Hugely lucky the sound engineering like Maths and Physical Science, Chemistry and Physics and those for the skills they are lucky and they have good foundation of such programme.

**Ms KHUMALO:** Before Doctor PARKER you continue when you discussing the transformation issue responding you spoke about productional professional relating maybe to a degree being saying you are investing in a degree but it doesn't speak to any is not productive in nature. Maybe if I can give an example so need a further post grade or something like a plan BA is not specific, is that what you are referring to?

**Dr PARKER:** There are wide ranges of programmes that are available for the development of professionals. For example the BSc Engineering is a four year qualification, that count it include into level 8 is a single qualification and produce somebody who after receive that can become a professional Engineer.

The other programme where is a second programme on top of something that has been done. For example teachers.

They may do degree in science, they can do a post graduate certificate on education they may be a programme for a country for example whether the B.Com Accounting plus the CA so it depending on the actual profession of the different kind of the programme. Some of them might be basic degree like in Social work may be a basic degree plus a capping qualification.

**Ms KHUMALO:** Does this seek maybe to rectify that maybe in the single degree a person is productive on existing that we can confidently say is a three year degree be the person does need any further training to get into the work force.

**Dr VAN STANDEN:** I think we need say that the profession degrees that is what Doctor PARKER talks about is training or educating student to become and work into the profession and that is like the MB research on Engineering, your health science programme.

When we talk about three year qualification, let me say BCOM BA depending on your choice of major study that you can marketable or employable on occupation of the work. Those qualifications are not specifically for a profession. If you are doing BA chemistry and Psychology is not training you for a specific profession.

**Ms KHUMALO:** That is my point exactly. It is something that we work on that we have more profession specific degree?

**Dr VAN STANDEN:** That is the intension. If you look at in the growth within the different professions and including the occupation of profession or vacation qualifications of the UIT's which train that students.

For instance the diploma in Mechanical engineering for a certain vacation. If you look at the proportion are much higher but I can work it out if I can look at my diary quickly in terms of format of the qualifications.



**Adv. ZULU:** Thank you. Doctor PARKER my question relate to what the chairperson and the Commission has asked you. I want to ask you about the public accountability of the Universities.

How did they account? Is the Department satisfy in the manner that this institution account, I'm giving an example, Universities have an Autonomy in handling admissions, enrolment are agreed between the Department and Universities. But if they are in efficiency within a system who takes the blame? Or how it is accounted?

**Dr PARKER:** I think the current system, the way the current system works is to balance between two things (Accountability and Autonomy). Is very important that the institutions themselves are manage the level of the institution. The Department can't manage institution on a daily basis and we would not be sensible to expect the Department to manage the institutions.

Institutions have the governing body, they have the council and they have management. They need to ensure themselves that they are managing the institution well in relation to own.

In terms of that they putting regulations which they have to report to the department in terms of manage themselves. We have annual report that has to be provided with audited statement on a basis and so on. Those are looked out and monitored by the Department.

We do that in daily analysis of every single institution report and from that perspective if there are problems we will then speak to the institution individually around how we would want them to become more accountable for those particular problems.

If something come up, there for an example institution is trying to have an account that disclaimer the Minister by requesting Minister will intervene by requesting that council to (in terms of the Act) indicating that that you are putting the independent Researcher or an Administrator and also to check the operation of the particular institution in order to get and that will be in case where there was major in administration of how the administration within an institution.

On a day to day basis the Department monitoring all aspects of the Universities, utilisation of the very ear mark fund and also on yearly basis through the Higher Education Management system will be audited data on the actual enrolment and outputs of the Universities.

We also monitor that as I already indicated already we have prepare mechanism of the institution that meets that targets that have they set themselves. I think the current system does have check balances within it. I think there is a lot of a discussion out there.

When people think that the Government could take over the management of the institutions but it will very difficult to imagine to be more efficient system and the system that currently exist.

**CHAIRPERSON:** Is this a convenience time to take a tea break?

**Adv. ZULU:** That is correct Chairperson.

**Chairperson:** We can adjourn for a tea break.

**Adv. ZULU:** Thank your Chairperson. D.PARKER you indicated during the adjournment that you need to give some further explanations which is for the University Autonomy and Public Accountability.

**Dr PARKER:** Thank you. I think I just wanted to just make a point on that. When we talk about those two things being been in balance, we dealing with the Accountability we are talking about the Accountability of public fund that is the key issue from the Department point of view. So is to ensure that the Universities used public fund in effective and efficiency ways to find ways in which we hope that this is accountable for that.

The Universities themselves, obviously they need to manage themselves to deal with all of these aspects. The real key issue around is the Autonomy. Autonomy is the academic side of it.

The universities have the Autonomy to develop the programme, to develop the research agendas, to develop the institution in various ways to interact independently as juristic person and so on. The Department would steer that behaviour through its funding mechanisms.

Steering a public service is through funding and always the quality assurance expect some planning. Really when we talk about the Autonomy we are focusing on the academic Autonomy either academic freedom on which are fundamental principles that are depend on Higher Education on funding from the constitution. I don't know if Doctor VAN STANDEN you want to add anything to that.

**Adv. ZULU:** Doctor just before you move out of the plate, you spoke about the auditing. Who does the audit whether financial or performance of the Universities?

**Adv. PILLAY:** I just want to ask who is responsible for monitoring.

**Dr Van STANDEN:** The auditing of data financial, HEMIS (Higher Education Management Information System) are be done also on a report EMR or be done by the external Auditors which according to the PMFA rules and the AG (Auditor General) requirements that audited company need be appointed according to the rules. So it is five years.

**Adv. ALLY:** So the AG's office does not deal with the Universities individually? The auditor General office not to audit the universities but they have to apply certain requirements in term of our report in regulation. That report in regulation was done in consultation with the AG's office therefore they have to produce a performance annual plan in terms of the criteria that we have

**Adv. ZULU:** Thank you.

**Ms KHUMALO:** I was just thinking maybe as information for the Commission are the point I was raising before whether are we producing qualifications that create a work force later.

So whatever decision about the investment in the Commission make are able to see if we are realising any investment from that or is equipping people who are not employable because only maybe we have the informative to crinoria a specific qualification.

**Dr PARKER:** I think that will be very dangerous to assume that somebody has a general form of qualification that is not employable. For example, many people have started with the general qualifications and makes them well educated.

Also if you look at the data is very difficult we are helping a number of different studies to looking a great nation to try and understand where individual go and to what to understand that graduates are employed.

There is some difficulties in some of the report. There was a report done last year by University of Stellenbosch specifically looking at University graduates and talking with University graduates not scientific graduates or anything like that. Particularly looking at graduates meaning those who have degrees.

They were very clear that the unemployment rates of graduate is very high. I can't remember the exact figure but it was about 90 % of unemployment of graduates they are after completion. So the issue here is that Universities sector want to develop the whole range of qualification types.

The formative qualifications which created very good base for many professions. I can say definitely for teachers and probably for many professions including the legal profession which is the LLB and as well as professional qualification for casual qualifications which are directed at a specific area. Dr VAN STANDEN if you want to add.

**Ms KHIMALO:** Doctor VAN STANDEN if you are able to say with the junior degree like if the decision is that feel free for the Higher Education undergraduates. Is that sufficient for them to show in the work force? I know practically when you are at the varsity sometime the basic degree is not enough but we that want that assurance in terms of our curriculum.

**Dr VAN STANDEN:** I Think what I was going to answer is that usually you get your formatted degree graduate you go to honour because remember that I also form our base for our researchers.

That is where we get usually output in terms of research, your post graduate. Also this graduates are usually also in terms of academic profession becoming academic and therefore one should not view this as a qualification that does not lead to employment, it does, just because I said the profession.

I just want to state in terms of liability. We have done a research project through our labour market intelligence project and it was indicated that the unemployment rate is about 5%. Is also has stated that in our case study in our first nine months the majority of student took a place within the labour market.

There was also training which shows it depend on from which University did you come and that analysis is done between Roods University and Foot hare University.

**Dr PARKER:** Just to add on that as well to indicate that in terms of our current Policy and processes we provide funding to NSFAS for the first undergraduates qualifications except in a case where are a post graduates qualifications is a capping qualification for specific professional.

For example it will cover for the post graduate specifically in education and it will cover the BTECH on top of for the skills-skills, on top of diploma and so on. So in our view is that when we looking professional qualification in that are kept as a general qualification that should be considered together in the means of this prices.

**Ms KHUMALO:** Remember, I am sure my colleagues will agree with that, they use to be BURIS and then you need an LLB after that or BA so I am saying if it is be free for the junior degree it means you haven't started. That is the point that I was emphasising in an assurance that we are seeking.

**Dr PARKER:** I suppose just to emphasise in terms of the current policy on supporting Higher Education for the poor. In the case where you have a general first degree and means be kept by post graduate qualification of some form or another in order to register as professional then NSFAS covers that. We cover that title for both qualifications is not only the first qualifications.

**Adv. ZULU:** Thank you Doctor PARKER. It is the question of the access and the distance education. The Ministerial statement on the student enrolment planning 2014, 2015 to 2019 emphasises the issue of distance education. In fact let me read you a sentence that is on page 8.

It says: "distance education provision as the potential to open access to university education. Opportunity for those who prefer not to attend traditional contact base provision.

On the last part of it the paragraph state however distance provision cannot expand significantly until better retention success and through put rates can be assured.

Technological opportunities and enabling ITC infrastructure to support teaching and learning as well as developing the necessary academic capacity are especial to the further development of quality provisions, provision of distance university education in South Africa".

That is why I want to hear what you views are in this issue of distance education because it seems as if the target which are also set by the Department are not going to be possible to achieved if there is student don't participate in distance education. Potential students.

**Adv. ZULU:** Thank you Chairperson. I think the issue of the potential distance education is the Department position that we do believe that there is potential to utilised distance education to increase access. However in this particular enrolment planning are process, given what we really seen in terms of the true preform distance education programme.

We recognised that we did not want to push the increases in distance education programmes. What the Department view was the department view was that we have to consolidate distance education, we have to deal with the problems of education particularly issues around the correct paregoric. The paregoric for distance education and the utilisation of TTC is more effectively.

Therefore you will see an enrolment plan that was produced that there was a not as greater growth in distance education as they have been in previous two circles. The Department itself is currently in the process of finalising new programme for the universities capacity development programme which will bring together the funding in Teaching Development Grant and Research the development Grant for the development of the system.

On part of that Grant we want to utilise specifically for a system, the development of paregoric for ensuring that we can improve to distance education. Once that has been done then we reconsider the target in distance education because the one thing we don't want to be doing is investing large amount of money in a where the current people rate is so poor. I think that covers it.

**Dr VAN STANDEN:** I think we just want the concusses of the fact why when we get the previous enrolment circle the policy on distance education was not finalised. That policy took about nine to ten years to get to the stage where we got.



The results and the impact of the policy was not visible yet when the planning circle although we have let the university that the change will not be soul provider of the distance education, we want to extent the food brain to contact universities to implement distance education through an ICT in learning platform.

The reason for that is that our contact university are more gear in terms of student support because the type of the student that will come into the system for distance are rule by students.

How on that because the question that we had on how those things is going to be access in eLearning or accessibility to the ITC. In that policy you will see that we utilising or proposing that we have dedicating seriously.

UNISA is one of the example through the community colleges is another example. So those view are the access on that technology Block. In other way UNISA was doing education by further base into amongst cloud base technology proportion. But there is a lot of preparation that need to be done by either the impact of that policy.

**Adv. ZULU:** Thank you.

Chairperson: I want to understand from motive, you have said the department has a policy on this distance education, where is that policy? Where we will find? Can you please prepare the evidence citizen to pass on to us please?

**Adv. ZULU:** Thank you I will do so Chairperson.

Chairperson: then further you have just said it becomes relevant in the context of Mr Matono's dream capture proposal which he presented in details before the Commission. He said he had submitted that to the department. Do you know anything about it?

**Dr PARKER:** I do recall something from him, the dream capture. We did submitted many different idea around this but when an individual come along and want to deal with the development or something like. We have a process, we have discussion with one of our people.

I am not sure what happened to that particular proposal. I think I respond, he did get respond from us and probably something along the line to say thank you very much and we look at this as part of our wider consideration of the aspect for the development of the system.

We get a numerous ideas from across the system. As we develop the processes and would utilise that ideas, not always possible to respond directly to usually a commission interest.

**CHAIRPERSON:** That may be but what he had to said is very crucial to the provision of the distance education using existing universities ad for a reasonable outline whether it marry it or we didn't have to marry it we need to be consider in the context of enteral of department point of view and we will reflect that we have a view on that.

**Dr PARKER:** Chairperson I just one to... the respond we see there are many thing but might be I remember a case to another person. We indicated that to initial the distance education it is not at a lower cost, it is actually a high investment to enable distance education.

The reason being is you have to put the support structure, you have to put the whole ICT orientation in place to enable the type of distance learning that you want to do. It also lead to academics capacitated and competent having a change of lecturing through in structuring which have to re-work the lecturing electronic format.

**CHAIRPERSON:** That one I understand that is why it was interest to me to say Doctor PARKER had to say because your office implementing

**Adv. PILLAY:** Then we have the whole development plan, implementation plan that we are going to wrote up about the distance education planning this system because our concern is nothing Doctor PARKER said. We cannot just implement without the quality aspects.

In the Policy is clearly stated that we are going to embark on selected programme to enable the Pilot of distance education to be done in very effective sustainable and quality manner.

**CHAIRPERSON:** Yes. I don't know whether you remember Mr Macdonald's proposal was. Mr Macdonald was directed toward the provision side, location side fully equipped to enable communities for each electoral district to have access to university education and I really welcome that. I consider the impute from Mr Macdonald proposal and also his position in the Department.

**Dr PARKER:** Chairperson I remember now the situation was refer to the DGD because it was the proposal from Mr Macdonald was basic for private institution offering and had quality insurance implication which is relate to his best. Then Matono was then the DGD of planning then we have to follow up if that is...

**CHAIRPERSON:** He indicated to us that he was decided to private sector education.

**Dr PARKER:** That is correct. Then it means the accretion necessary through our quality insurance and regime that should be done.

**CHAIRPERSON:** Yes. I am still very interesting now and I believe that my fellow commission can be interested to know what the essential reaction of his proposal is because it needs to be an asset.

**Adv. ALLY:** Within the context of dream capture his application follows the said process. He first needs a response from you in order to get an exemption for someone by the legislation and without your response he can't take it further. He had indicated that he had not received any response and whatsoever.

So it must be in your interest just to go back and see what is happening to this particular one in case you face some kind of legislation around the line on why you never respond at the first place.

**Dr PARKER:** We can be significant and look but I am sure that he will get a response from us that will be a normal kind of response like "thank you very much we will look at it".

He might have a response and dig deep but we can say soon we will look at it and I do think the PARKER of the aspect are when he just comes and requests funding or to request the system and into developing the business that we would have to be very careful of that specifically institution because institutions themselves need to be involved.

Secondly is that whole issue of the legislation around private interest working with public interest. So what we can have to do is to go back and have a look on that and give the Commission a response in terms of that price is as well.

**Adv. ALLY:** Perhaps you can also get a copy of this presentation from the evidence leaders which will then guide you as to where you are looking.

**CHAIRPERSON:** Doctor PARKER we have not expecting any view fundamentally but otherwise the proposal which we can suitable through and inversion and irivation. I would like you to take in that hand.

**Adv. ZULU:** Doctor PARKER one of the objection of the student enrolment planning is to ensure that they participate in Higher Education, is at level that is appropriate, especially participation by Black African population. I want to know why is the major used for participation rate. It is expressed as %age to be use 20-24 age group. I had a discussion with Doctor VAN STANDEN about this issue last week. I want to hear your view.

**Dr PARKER:** Thank you very much. There is a number really racial that is called Gross Racial Enrolment. The reason why we utilise racial is that, that is an international standard around which the major participant in Higher Education. You could choose a different ways of expressing it. So we take the entire student population over the population of 18-24 years and that comes up with the particular number. We have about 20 % at the moment that gives you an international comparative view in enrolment system. Obviously there should be different ways of measuring it but we need to steak to that beach mark.

**Adv. ZULU:** Is the participation rate growth grows over the year or is it goes down?

**Dr PARKER:** The participation rate has grown up over the year. It was one of the target in national plan for Higher Education that was published in 2000 and I think at that stage participation rate was around 16 %.

We have to be progressively to improving that participation rate, is around about 20%. It has improved. I think the NDP is suggesting the participation rate of 2% that is popping up in my head but is 23% or 24%.

**Adv. ZULU:** Alright. In fact there is a table that I have in front of me by CHE since 2007 and it says the overall participation rate was 16 %. So white students was 60%, Indian students was 51%...

**CHAIRPERSON:** -Sorry Mr ZULU! Where we would find?

**Adv. ZULU:** Is a table that produced by CHC (Council of Higher Education).

**CHAIRPERSON:** Where would we find it? Is that in the statistic of Higher education and Training?

**Adv. ZULU:** There is a document that I am using. I will make it available  
Chairperson.

**CHAIRPERSON:** It is not the one that we have?

**Adv. ZULU:** Is not a table, is part of the document that I have been given.

**CHAIRPERSON:** Ok thank you.

**Adv. ZULU:** Sorry Doctor PARKER and Doctor Van STANDEN! The overall was 16% in 2005 has a %age of 20-24 age group overall was 16%. White was 60%, Indian 51%, Coloured students was 12%, Black students was 12%. What is the current situation no?

**Dr PARKER:** Sorry I need to get the details in enrolment racial in terms of that. I have got in from of me the data for 2012 academic year. So I have data which it shows an increase from the data. It was 16% Black African students. 14% for Coloured students. 47.4% for Indian students. White students 54.7%

So you will see that there would be changes. What is interesting about the gross enrolment is also the distinction between female and male participation at each particularly enrolment. For example in 2012 the Black African population (South African population) male participation rate was 13.1 whereas the female was 19.1 so you can see that is not just about racism but also in gender.

What is interesting is interesting is that each and every single race group the participation of female is greater than that of the males. Another... this one is not easy to understand so I am not able to pick up but we can definitely get the details in terms of the latest number which would be 2014 number.

**Dr VAN STANDEN:** Can I just add? One should be very carefully in the participation rate as a measurement of active students in university education. The reason is that you will be selecting rate of participation on the type of data that we use. Also the growth in population size.

So the higher population growth is the lower your participation seen. The better management is the actual growth of that students in this system from enrolment rate as well as the graduates' rate.

Also by trying to major those participation rate with what the NDP it is exclude students in Higher Education studies in other colleges like Nursing and Agricultural colleges. It is usually not true reflection of the participation rate base of Black students in Higher Education studies.

**Adv. ZULU:** Would you say that the participation rate amongst the Black student population is increased amongst the year?

**Dr VAN STANDEN:** Yes

**Ms KHUMALO:** Can I just follow up. So if you say it depend on the enrolment that you use. It has counting an option?

**Dr PARKERER:** We have a number of ways which we measure the participation system in terms of actual numbers. So we do count numbers for individual and that comes in the percentages in any particular groups is in enrolment.

We also do full time equivalent numbers and there are numbers of different targets as you will see when you look at the enrolment plan. They are in large number.

**Ms KHUMALO:** What will be the frequency of that? Is the annual or maybe during the year?

**Dr PARKER:** What happen is that each year the Higher Education Information Management System can audited a data from the system. It is verified and it is finalised.

If you look at 2015 academic year the data for the academic year 2015 is not finalised. The reason for that is that it has to taking into account all of graduation which generally happen during 2016 year. So we get that data now.

That audited data that you looked at it is a monitoring process in terms of checking target on the system and enrolment planning process and the actual output in the system itself and there is on monitory report that is done in terms of looking the process towards the kind of target that has been set.

That done on annual basis. We also produce annual core hold study report which looks more fun great details at different core hold progression to the system which is enable us to understand more about the drop on in the system and they may be a problems.



To do that report we do it in terms of a three years degree diploma four years qualification, six years qualification and then we look at across of all of those to look at what the differences are in terms of report.

We need at least eight years of data to do a particular core hold study because they need to deal with the issues of... also because some of those qualifications are six years qualifications.

**Adv. ZULU:** Lastly Doctor PARKER and Doctor Van STANDEN, I need to deal briefly the issue of 0% increase. We have debate on this things about this 0% increase but what I want to try to understand from you is that:- how and which institution contributed their own funds and which institution did not contribute toward the 0% increase? Thank you.

**Dr PARKER:** The decision of the 0% increase? Once the decision has been made or you are asking me about how we funded it?

**Adv. ZULU:** How did it come about? Who decided? Who made the proposal that there should be 0% increase? And how was it deal with? The reason why I put this to you is that going forward how it deals with this issue of increases use this. The decision to not to increase like 0% increase has impacted how going to what you are going to deal with this type of increase?

**Dr PARKER:** I am going to give you the context of that decision going back to the 06<sup>th</sup> October 2015. Earlier in November the Universities South Africa, the Chair of University Council, Chair for Council for UCCF wrote to the President requesting a meeting with the President and the cabinet members to discuss the discuss the challenges of Higher Education and Higher Education funding.

That letter was wrote directly to the President. Our Minister hears from the Presidency that there is a request made. After that the President made the decision that we would meet with the University Council Forum and USAF together with some cabinet members.

That meeting happened on the 08<sup>th</sup> of October 2015 and the reason for the meeting was that the university Vice Chancellor was concern about short-term funding challenges in the system particularly in NSFAS who were not funded and therefore historic date.

The short fall in NSFAS that was not able to cover all the poor students and also the polarisation of campus are some of the problems that happened. Just before the meeting, for example the University of Kwazulu Natal has a major challenge with the buildings just suddenly attacking and set alight with the Vice Chancellor on what that students were concern.

So there was a feeling that there must be a meeting of this demand to deals with those problems. That meeting did take place and after that meeting the President agree that we should set up small task team (the presidential task team).

That task team will look at a number of different aspects but especially the short-term funding challenges for universities and also make recommendations on how we deal with some of the problems that we have seen in the system following that meeting the Department of Higher Education and Training is holding a National Higher Education Summit to transformation summit on the 16<sup>th</sup> of October 2015.

We were expecting that when we got that summit we will bring all stakeholders together and we will discuss in depth the various transformation issues. On the 15<sup>th</sup> October 2015 when we were in Durban at the ICC when we start that particular meeting Wits University made an announcement at their decision over 10.5% increase in their fees as you know that each and every institution has their own fees.

That decision is a huge practice at Wits University and really we saw that the beginning of the Fees-Must-Fall movement. At the summit the Vice Chancellor has actually to go back to Wits to talk to his students.

There were number of instances that happened on those few days and they still really sparked off parties across the system. It really started with the more advantage to the universities which has higher fees and which will double the increase in place.

They had done their own work in terms of deciding on those increases but they have not work with respect to really we have proper negotiation with the student's bodies. However that might be we recognised the crisis but I can't remember the date exactly but it had to be before the 23<sup>rd</sup> of October.

The Minister recognised that something has to be done that was form of effective and that will have to bring together with various stakeholders to make decisions on how we deal this issues because by that stage it was spelling across the entire system and the Fees-Must Fall, movement was saying no fees at all. The Minister brought together a group of institutions that are...

-I mean not group but he brought together the Executive Committee of Universities South Africa, the Executive Committee of University Chair's Forum, Leadership of South African Union od Students, leadership of the stuff. That meeting was held in Town House in Cape Town where we wanted to try to find a solution for system.

At that meeting it was agreed amongst those participate that are double-dated their figures they are not going to excepted but the system by then it cost a system to enquire the increases. Consideration should be given by each institution to negotiate with the stakeholders and increase up to a camp to 6% utilising the CPI as member.

At that meeting after the discussion all the parties did agree that they will take back to the constituency and have a discussion around the Grant on that figures.

What happened immediately after that there was press statement media indicating that the Minister is suggestion 6% fees increase and the parties in fact they don't think any of those are constituency has a chance to even go to their institution and discuss about that.

Further the system was in the huge trouble and then the President decided to he will call all the stakeholders to get to the meeting at the Union Building. That meeting was held on the 23<sup>rd</sup> of October 2015.

Coming to that particular meeting I recall to the meeting for the meeting and I was on the advantage because I was in the meeting itself. The Universities South Africa and the Chairs of Council Forum consults before the meeting. They spend sometimes discussion what the view will be. I presume during March have done the same.

In the meeting the meeting follow the procedures. The President welcomed everybody. He the requested students to provide their views on their issues. We had in the room most SRC Presidents. We also in that room the leadership of various students' formation.

For example:-

- (i) Democratic Students Organisation
- (ii) EFF Students
- (iii) Young communist League
- (iv) ANC Youth League and so on

There was large number of different student and youth formation. The President tells them to give their views. Students provided a lot of different imputes:-

- (i) Some were arguing of the 0%increase fee for poor students.
- (ii) Some were arguing 0%fees.
- (iii) Some were arguing for not fees at all.

They brought issues of curriculum and that touched the issues around Black Tax and numerous other things. I think the decision took many hours and we listen to all various students point of view.

At the end of hearing of students point of view the President the tell the university sector and requested that they respond to that. The Chairperson of the Universities South Africa did at that point stand up and respond for the sector.

He indicated to the meeting that the Universities had focus and Universities had on basis of the previous meeting that the Minister had a proposal to made at the meeting. The proposal was “which degree should be 0%fees increment for 2016 only”.

Whether issues be deal with the funding in generally. He proposed that students must go back to their Universities and write exam so that the 2016 year will not lost and the universities themselves will comment to go back to their institutions to have discussion negotiation at the institution to deal with some of the other issue which institution specifically lead to the issue of insourcing and outsourcing workers and other issue that has been made by students.

In the last thing that they suggested they requested that the President put in the Commission that can look at the whole things of education. So that was a proposal and being concuss by University Vice Chancellor and Chair of Council President.

The President wrote to the Universities did indicate to us that they are willing to go along this suggestion and the students agreed that they will accept a 0%fees increase plus going back to write their exams and process to deal with the outsourcing and also students who was on disciplinary hearing process.

The President then he didn't say anything on the time around the idea over the President should form a Commission. At that point one of the issue that came out was specifically around how this is going to be funded and which University is also prepare to participate together to find finding.

At that stage the Deputy Chancellor of Universities South Africa did indicate that they had this discussion and base on the agreement that will have 6% fees increase where institutions has indicated they will be able to those who balance box will be able to assists Government and they could be cost sharing of this.

The presidential then close the meeting on the understanding that there is an agreement on his participation point of view and he came out and address the media providing an outline of what had been decided on the meeting. I want to strengthen that this was not the Government decision to implements this alone.

This was the decision that came out of a team to deal with the crisis at that particular pointing time. At that particular pointing time there was no real understanding of what the quantum of funding will be or what the consequences will be.

The President the included because of the reference of president task team which has been set up on the 06<sup>th</sup> of October 2015. What all of this means that ensuring that we came out with recommendations to enable the beginning of the 2016 academic year. I think we also need to say that the President Commission did its work and is provided support by the end of November as requested.

They did quantify the total amount of 0%as well as short of the NSFAS that of NSFAS qualifying students. I made recommendations of the President. In terms of the contribution that made by the Universities themselves contributed R395 million towards the total amount of that was required.

The residence funding was made available through reprioritisation within the Department and the National FISCAS of the tittle amount of at least R300 million was provided by the Nation FISCAS to reprioritisation in the school system in the school system that will be available in the Department.

I have got the number is here I can indicate to you if required. But just in terms of the number of the Universities there were 12 universities that contributed to this tittle amount.

These all universities who was in a situation did have balance set we enable them to assist. The other institutions where in a situation where they will not able to assist given the current Fiscal situation and their balance book. I can read those institution if you require.

**Adv. ZULU:** Ok is fine. I am happy, thank you very much. I think my colleagues have got some questions for you.

**Mr MBUDA:** Morning Doctor! Oh! Afternoon actually. I just have few questions in relation to Enrolment Planning. We know that the NDP sets target for TVET as well. It seems as the focus of your testimony is there for the universities in the Enrolments Plan has prepare for TVET and colleges as well.

**Dr PARKER:** The focus has been on universities simple because this problem was at universities. There is enrolment process at the TVET Colleges but perhaps my colleague he is sitting at the back there he is in the recent branch, he is probably better able also on that specifically.

I do know that Doctor VAN STANDEN can confirm this that we have share our process within the TVET sector but I am not sure exactly the normal planning process works.

**CHAIRPERSON:** What are your full name sir?

**MR JOUBERG:** Z JOUBERG

**CHAIRPERSON:** What is your position?

**MR JOUBERG:** Chief Director Financial Planning, TVET branch.

**CHAIRPERSON:** Do you swear that everything that you are about to give will be the truth, the whole truth and nothing but the truth?



**Mr JOUBERG:** Yes I do.

**CHAIRPERSON:** If you do please raise your right hand and say help me GOD.

**Mr JOUBERG:** Help me GOD.

**CHAIRPERSON:** Thank you.

**Mr JOUBERG:** Thank you Chairperson. The question in terms of the TVET enrolment process, what the universities broad indicated to you is quite similar to TVET side. For enrolments we also noted that.

If you look at the current funding from the previous discussion that we had last week just to say to you that there is also hard pressure on the TVET system and also in terms of the planning enrolment as indicated in the BVESIS the amount of funding that are available. The question that you post is 'do we have enrolment plan?'. Yes we do have enrolment plan, we work directly with all 50 TVET colleges.

We determine what amount of enrolments can actually be fall from the baseline. So that is the annual process that we do with the colleges. We actually are also in a process of 2017 planning process.

We also working with a Council to be able to see the type of funding is available from the first case as well as what type of funds the TVET colleagues can actual generate. Through that combination of funds we then determine what is affordable, what is the baseline for 2017 enrolment system will be in the road of the colleges.

**Mr MADUDA:** Are you able to determine whether you will be reach the NPD target by 2030 base on your current enrolment plan?

**Mr JOUBERG:** Yes. We have actually also look at the type of Enrolment Plan that is the funding. In terms of that there is also a few quiet... we had the discussion on Friday but there is quiet comprehensive funding for.

If you look at current baseline in the system there is 710535 enrolment currently that is the figure that we have got for March 2016. Those are the audited figures. That figure that we have got is actually we look at that funding that we have. We currently funding that at about 54%.

I just want to read the copy right or just to explain to you. If you look at the Norms, we are supposed to pay 80% of students' fees of the little programme cost. I think the major different between TVET Sector and University Sector is as follows.

The State of government need to subsidise 80% of the cost and 20% of those cost will be the students' fees. Now that is where NSFAS comes in.

If you are NSFAS qualifying student obviously you get to be cover 20% portion.

There is a rates of the funds that needed to be contributed by students who is not NSFAS beneficiaries.

In terms of that process, if you look at the baseline funding system this is the 710535 because of this last enrolment on the system that 80% component is only 54% because we also over enrolled above the baseline.

So the way forward that the department has thinking is because we know what the economic project will be in terms of the expected increase that we discussed on Friday again. Is from the department side to reaching those NDP targets is not quite durable at that stage.

Our planning is to work with the colleges to see if we can maintain the current baseline of 710535 but here again if the colleges cannot to fully sustain that current enrolment we will have to look at the increasing the enrolment over the next NDF because the baseline funding is only 54%

**Mr MADUDA:** Just one last question in terms of the TVET system as well. When you do prepare enrolment plan do you mind what the Universities enrolment plan says because in terms of the output of these requirements of the Engineers and so on. Do you keep in mind the Universities enrolment plan when you prepare yours? When you prepare the TVET Enrolment Plan?

**Mr JOUBERG:** The TVET site specifically focus on your NCV as well as United to report 191 programme. That is quite different, there is some synergies. It is totally different, maybe Doctor PARKER would like to comment on that but we are focusing on NCV specifically a Report 191. There are occupational programme by active colleges but it looks different between what is offer that TVET colleges.

**Mr MABUDA:** The reason why I am asking is that you do have Engineers in TVET their requirements for output for Engineers and Universities as well. So would make sense for both parties to have some sort of singrenise understanding in terms of outputs for engineering?

**Dr PARKER:** The relationship between the NCV and High Education is the articulation from the case of level 4 qualifications into level 5 qualifications. What we do make taking into consideration in terms of admission requirements is that we have both streams from CTV root as we as from the NCV.

We take cognation of the proportion of students coming from the TVET colleges their access into High Education that is specifically engineering but in the fourth stream. The first study is Tourism Management. There are different areas that are involved there so that they can access Higher Education.

**Mr MABUDA:** Thank you.

**Adv. PILLAY:** Thank you Doctor PARKER. I just want to ask few questions to you. The first one is to just to understand the dynamic around enrolment planning. We know that enrolment planning is bilateral discussion between the Department and the individual situation.

I just what to get a sense form you but I understand that enrolment plan has a great head count at particular universities. I just want to get sense from you when you do the head count. Is any discussion about the percentage that student's population who will be able to pay fees and those who won't able to pay fees? Can the affordability comes at any level?

**Dr ARKER:** There is no discussion around that specifically. Obviously when the universities are doing the enrolment planning they need to be think about when proportion of these students may be come in. Either been in my knowledge that they need discussion about sense, how many students for fee paying or non-fee paying students for example.

We would want to ensure from the Policy perspectives that any child who comes to the Basic Education system is able to access academic clearly and academic that he/she deserving.

Should not be denied on the basis of funding. That is why we would be working towards the additional funding to support the poor students but definitely is into discussion. Doctor VAN STANEN have you ever had that discussion?

**Dr VAN STANDEN:** I need to explain the relationship between Enrolment Planning, Academic Programme Planning and Funding. When we engage into the institutions is very clear in terms of perspectives can be can be afford from a public tax payer government FISCAS.

What they need to do is if you say your percentage growth is X they we need to go back because offering of an academic programme has two sources. One from the FISCAS which is your subsidy and one from student's fees. What universities usually done is that they run a programme viability mechanism and understanding if the grow by this percent is then still available or affordable in this kind of programmes.

Therefore you will see a lot of institution facing our programmes which are not viable because funding does not keep up with the expansion of what is needed on the holistic view of point.

**Adv. PILLAY:** Do the cost on the enrolment planning and big sector is about subsidy? What kind of subsidy that the State can afford that will determine whether you over enrol or under enrol?

**Dr PARKER:** In terms of understanding that all can't be everything to everybody. They have to differentiate in terms of the priorities of the government and keep within what they request. We set the target at NDP say we have to grow up to 1.8% in terms of your capability and capacity what all we will able if we provide infrastructure, if we provide foundation provision, if we provide Teaching and Learning Development grant.

It is really comprehensive process and is not only looking at expansion. Expansion is not only look at students impute is also looking at graduates within the system because that is how we measure ourselves in terms of labour market.

**Ms KHUMALO:** That will include both foreign and South African students?

**Dr VAN STANDEN:** We look at all students because they are all in the system. As explain by Doctor PARKER that they are subsidising from the teaching imputes unit Grant. Remember we said according to the SADC protocols in our system and we have to deliver the services that is necessary and therefore the subsidy to be counting in.

**Adv. PILLAY:** When you concentrating on enrolment plan do you look at all NSFAS allocations and the amount of money available to fund poor students?

**Dr VAN STANDEN:** We still concentrate but in other ways if we say we grow by certain percentage then we growth in terms of FISCAS will need to be considered. When we grow, if I say by 2% growth the proportion of that students within the system that receiving NSFAS should also grow.

We also need to market in terms of NTF at least for the three year circle if we say we grow by 2.8% and it results in 1.2 million teaching impute unit it is still affordable at that stage in the three year circle because that is the kind of funding that you will you will get from the NTF. So we have to consider both of this Streams.

**Dr PARKER:** Perhaps I can add to that. I think traditional when taken into consideration is enough. Suddenly they have not been in the situation that says this is how much is NSFAS, how many students that we can fund at full course of study for example. It hasn't been in that way because institutions will be provided with funding from NSFAS.

Institutions will traditionally make a decisions about how would they pay back funding. For example, we did see some of our institutions so called top slicing practice where an institutions will set an allocation for NSFAS students and because they have large number of poor students they would provide all of them rather than focus on study.

That has been and we are busy working and we are dealing with that and obviously we are balancing at around how much funding become available from the FISCAS. The current process around the development of NSFAS system in the central application and system of NSFAS is really designed to move away from most kind of practices to ensure that more and more when NSFAS students comes in they will be funded to the level at they require that funding.

So theoretically it may be that institutions should be thinking about how many students will be funded but I don't think practically that was the case. However in the last enrolment planning circle in 2014, this one that produced the 6 year plan, we were very clear with every single meeting that we had with every single institution we said look at the reality of the various parts of funding that are available.

We want that to deal integrated planning. We need to make sure that we deal with that agent situation that are looking at the sustainability giving forward.

**Adv. PILLAY:** Just in the face of comprehensive enrolment planning. Has the Department costed if the instruction from the probably that be fee free Higher Education and Training will have to be implement. Has the Department costed exactly how much money that will cost on current enrolment?

**Dr PARKER:** The department has not costed what it will mean for the entire system because we have got Policy in place that says we must progressively support the poor to focus on study and we need to find ways of supporting the Missing Middle in line with what the NDP targets are.

So what we have looked at is the making significant estimate in relation to the proportion of the students who come from the category that called poor as to what to be required to ensure that those students are covered to full cost of study.

Those amounts have gone through to National Treasury for the five year each year because that would covers the students in terms of current Policy process. It is very difficult thing to cost while full cost study would be for everybody because if you are just talking about tuition you can look at what tuition will be but full cost of study is a different thing particularly where students require accommodation and food and so on. It is very difficult number to estimate.

**Adv. PILLAY:** We have seen the document produced by the department over the years and the emphases on progressively realising the right of Higher Education for the poor. Firstly, that are something that open the debate. It is a discussion that we will continue to have in a Commission.

Is just for present purposes and for us to understand how the obligation will be if in fact there would be an obligation Higher Education and Training for everybody. I am just trying to get a sense whether the department will able to put those numbers together?

**Dr PARKER:** I think we probably could create module. I don't think will be possible. It would be different kinds of criteria that one will need to look at. Are we talking about this for the first qualifications? Are we talking about this for all qualifications?



Are we talking about, are we talking about only for the fee portion? Are we talking about for fees and books and accommodation? Do we also includes fees?

So depending in all those things different numbers could come out on this process and I pursume it could quite a large variation but we could definitely module that. We have over numbers in terms of the enrolment plan and the process is going forward.

**Adv. ALLY:** Doctor in the sense coming down perhaps Ms PILLAY she had put it, you know planting. We would like the Department to do the costing if you say it is possible.

If you have impediment we would probably to know why they are but we would like to know if within certain ball parks obviously. So if you say this criteria then do that, you know what you are providing at the moment.

You top up that, is the formula that you used, now is the tools that you have in terms of the ITC tool. So please if that can be done, Ms PILLAY I am not sure when that aspect is done at the moment but irrespective by the end of the hearing session we would probably like to have such.

**Dr VAN STANDEN:** If I can just come in. We have done a similar process. I just before Dr PARKER's time I think it was just after the MANGAUNG Resolution in 2009/2010. So that we have and it was done in different.

It was it was determined what would be mean if we offer free education. There was a process that we would like to focus at about that time. Sorry is POLOKWANE not MANGAUNG. POLOKWANE decision. They must be methodology in terms of the dynamic that can change this process.

**Adv. PILLAY:** Doctor VAN SDADEN that is the relation to the poor or relation to everybody because I suspect that Polokwane the resolution was relation to the poor?

**Dr VAN STANDEN:** We look for something broader than that for everybody.

**Dr PARKER:** I think we need to go back and could definitely look at how we could get a modelling exercise done in terms of the current right now but projecting forward is something else because of the issue there. I think we have to go back and we can try to do that modelling. You have to give us time.

**Adv. PILLAY:** Finally, Doctor PARKER I just want to ask you around the latest decision in relation to fee increment and the decision by the Minister to those who qualifies for NSFAS under the current scheme and the Missing Middle.

Those whose family are earning R600 000. Does the State cover increment in relation to those students? Can I just get sense on whether that commitment was coasted and whether the funding for that will be coming from?

**Dr PARKER:** We are not having at this particular time to actually identify exactly the amount that this would be because that needs to go to a process of identifying who's those individuals.

However we did some work with National Treasury to understand what the maximum or the likely amount could be or the amount state could be within. Therefore between the National Treasury and ourselves and the Cabinet.

They discuss with the Cabinet. They was a commitment to find whatever that amount was once it has been quantify. We can't, I think as the Higher Education tell as whether those funds are going to come from. I think CFO could assist better.

I am assuming that the National Treasury and the Minister of Finance will have to deal with that aspect.

**Adv. PILLAY:** Just lastly, the Pilot that would be implemented in 2017 in relation to NSFAS students and the Missing Middle. Can I just get a sense? We did post question to the National Treasury around whether or not Pilot will have to costed in advance. Whether the funding for the implementing of the Pilot would come from. You could just let us know.

**Dr PARKER:** The whole issue and if you go back to the National, the National Plan is very clearly in terms of these targets. Is that NSFAS qualifying students should be covered through analysis basis from state.

That would do it on basis to cover it. Other students should cover through various forms of loans system. And it under written the majority of state that is what it talks to. Our working with these through with the Ministerial Task Team we recognised that the current FISCAS situation does not provide efficient funding even for all NSFAS qualifying students.

Therefore we had to find where to find additional funding. The Chairperson of the Ministerial Task Team has been incredibly proactive in relation to this. He has brought on board many individuals to help work out this scheme.

They are looking at a range of different options in order to gain access to funding that would be projecting double the amount that is currently in the NSFAS which is enable to funding the Missing Middle group.

That is from a number of different perspectives. Some of them are grant from donation from the organisations. Others are placed in social bond. They will be able to raised funding from.

There is also commitment from the Dti (Department of Trade and industry) that would be certain percentage of that amount that would putting BEEE investment. I don't remember exactly the number but 1.5% of that will be Earmarked specifically to go to this fund.

There are large range of different places from which funding can come available and we are fairly that they will be able to put this in a place. For the Pilot itself there is an amount that they are busy raising at the moment.

And I am not sure how much it is at this particular pointing time but they are aiming to get between R100 million and R200 million in that fund in order to test the system. And that will be grant money to start, they will be testing this scheme in detail.

**Adv. PILLAY:** Doctor PARKER I just need to put this to you because there is something that appears in your information before us and is part of the presentation made predominately by the students' formation. The proposition is the following and I am gonna add on the final the 0% increment decision to the list which I am going to put in now.

It seems that whenever the party is boiling, whenever there is a public pressure, whenever the students are protesting that government is able to respond to that by finding money in order to realise this some instance, the right to education for poor students.

In the absence of pressure from this students there is action by government, we have be staying in the level of 120 for NSFAS students. But the moment this pressure from the students formation you see that government is able to come forward with more assistance. Is that a fair submission?

**Dr PARKER:** I think that the students they are looking at where they are in their experience. So they have for example known as what the White Paper 3 say it. How government has trying to work towards this?

Certainly from the Department of Higher Education point of view the emphasis has been made in order to realise access to Higher Education. I think that in general there is a situation where individual will protest violently sometimes in order to get access to something in terms of how things are responded to.

I think from the Department of Higher Education point of view if you look at the record you will certainly see that there has been consented effete are particularly seen in 2007 to find the additional funding to provide for poor students and to find solution to ensure affordability of Higher Education and to ensure that the right is been made.

I think that government has a whole particular kinds of processes that it works with. The decision making around this is in hands of the Department of Higher Education and Training. We have ongoing basis argue for more investment to our youth. And have done research and showed the need for it.

But I don't think that it is necessarily a comment to say that nothing has been done. In terms of the after the POLOKWANE Resolution I think in 2010 after the NSFAS report came in. The Minister went to then combat and really requested from the FISCAS that they needed to come on board in terms of providing additional funding. And you will see in the amount made available to NSFAS there is a huge to jump on that particular point time.

And specifically an amount was made available to ensure an access to TVET College education and fund then was made available to enable basically free TVET education. There were also increase in NSFAS to enable the implementation of the final year programme which was seen as one of the steps toward progressively introducing higher education for the poor.

The first concentration in the country and the choices that the country have to make obviously this balancing things need to be taken into account when none thing government have to responded to these amount. I don't know if the CFO would like to add anything to that because it is probably have more insight to have these things.

**Add. PILLAY:** Just finally Doctor PARKER if the three recent decision that have been made and largely respond to the pressure from the students, does that means that the absence of pressure that they really is just an absence of political war at the highest level to become to assistance of students?

**Dr PARKER:** I think it will be very difficult to me to say because I don't... I think the Fees-Must-Fall last year that movement was everybody recognised some of the problems and we were working toward to find solutions. I don't think the level of pressure that has been put on there has been anticipated.

When we look at this I must realise that this is just about providing access to higher education. These was driven by many different challenges and political as well.

**CHAIRPERSON:** That is not a question! The question is 'was the adequate political war share? And if there is political war share in a future perhaps in the pressure.

**Dr PARKER:** I realised that, I am just putting that into context. But to say whether there was sufficient political war I honestly as an official at the department I cannot answer that but I am...

**Adv. ALLY:** -Well the other context Doctor and you had been aware, you had the Report dealing with. I am talking about the Ministerial Report where certain aspects were dealt with and students said this was withheld until 2015/2016. So perhaps that is the other side of it and whether you had to digest that particular report for the time you had digested is the another debate but that was also affect that to put the malty in range for the students.

**Dr PARKER:** Perhaps I can respond on that. That particular Report was finalised in October 2013. It was working group to support the Fee Free Higher Education and Training. What the Minister decided was not to publish it for public comment or for any other purposes. He then write the Report, the Report was presented on various.

The Report was indicated that we should have this policy dialogue to really look at this issues around the parameters and how do we set that parameters. And from that point of view we went to the policy dialogue which is included wide ranging with various cycle this.

The difficulty is individual students in the Fees-Must-Fall may not know that need. And that doesn't mean that was hit and put under the table and it wasn't open for discussion. It was open and there were plenty of discussing about it. But it was around whether or not because expectation is that if you publish that then you will implement these things immediately.

We needed to understand if we are going to implement something across the board then you had to be able firstly where the funding came from. Secondly what the parameters were to be able to estimate that funding will be in order to get the national FISCAS.

**Ms KHUMALO:** Just the follow up on that. Had they not been any political pressure? What was the plan of the department in terms of this recommendation?

**Dr PARKERW:** The department had from 2012 every year worked out the kind of funding that was required in order to support poor students in higher education. We planned in terms of the development of the system creating spaces and children that we make higher education available.

And then we also planned in terms of the various support so that we able to provide to higher education institutions. The Earmarked for students had to come the national FISCAS processes and that the department bid on every year on year.

**CHAIRPERSON:** Just be clear on us supporting entirely what you said.

**Ms KHUMALO:** So there was no intention or all of the place were based in an annual increment?

**Dr PARKER:** The Enrolment Plans are always based in terms of what the increments are in the base line funding to universities. Students funding is the third stream funding.

Remember what goes to NSFAS it is part of higher education funding. It is funding individual student to access higher education. So it is separated from the planning in terms of the enrolments.

But for us it was to make sure that we could implement the various resolution and government policy around ensuring Fee Free Higher Education and Training for the poor. And that is why we put in consecutive bids to the FISCAS. Those decisions around how funding is made available and how funding is provided to Higher Education is not in hand of the department.



That is the decision that has been made at the higher level. Mr Steyn can you please just come in? I think it might be helpful.

**Mr STRENDOO:** Chairperson I think just to add on what doctor parker were saying and also then to go back to National Treasury Report on Friday. I think there is a kingful balance in the sense that on the one side the department would like to present its needs which the department did, we call the numbers that the National Treasury confirmed on Friday.

But then there is also on that basis concern by National Treasury the department and bid in the rational way and put that on the table that it is not on all fundable within government at the moment. So you will see that there is a pressure on the site of the department. What do we ask? Do we ask everything? So in cases we asked everything.

**Adv. PILLAY:** Can I just understand what do you mean what you say that you put in bids that are not fundable by government? Does that mean the bids they don't meet the requirements or the criteria that the National Treasury se down or it means from the policy perspectives? What you thought it was not fundable?

**Mr STRENDOO:** It means purely that in terms of the total amount available by National Treasury to distribute between all the partners in terms of the FISCAS that in term of rends and sense there is not enough money to fund the policy directors and all the needs of the department.

**Adv. PILLAY:** Can I just ask? Does that means all the bids which were presented meet all National Treasury requirements that were fully costed or extra?

**Mr STRENDOO:** In the majority of cases yes definitely so. You will always find, I think was also the indication by National Treasury on Friday. The National Treasury will come counter questions which is a normal things.

It happened within the department if a branch which is something to me and I will also ask a certain questions of server because how can you ask this, how can you ask that, how did you calculate this, how did you calculate that?

So the same kind of process will happen in the side of National Treasury other wise they will also not do their work. So yes indeed that the department will submit a bid and the National Treasury will reject that on the basis of certain economic questions that they may post, certain clarity that they must asked.

I refer on Wednesday if I remember correctly the example of the success for the TVET sector for example. And that National Treasury will say that you want R20 billion for this service but show us the quality in the system. We can't put money in a system where there is no quality.

Counter argument by the department say give us something for the beginning to prove the quality. Those are the kinds of debate that happening between the department and the National Treasury.

**Adv. PILLAY:** Has been ever been a bids by the department to fund through NSFAS students who are belong to the Missing Middle and not only the poor students but also the Missing Middle?

**Mr STRENDOO:** That happened before. All the bids from NSFAS was defined poor students. The Missing Middle one is a new Policy directive.

**Adv. ALLY:** Does the department has any say for the bids from NSFAS or funding?

**Mr STREDOO:** In terms of NSFAS specifically I think I must also emphasise that this is likely different from the normal bidding processes. If you take for example the Council for Higher Education.

Council for Higher Education will submit something via department to national Treasury and National Treasury will consider that for funding. SAQA is a good example, we had the verification of the qualification processes where there was a bid by National Treasury for the funding of that.

In the case of NSFAS the department deals with the bidding process for NSFAS in terms of students funding. We also included over the past few years funding for the administration cost. So yes indeed the department requested the funding for the National Student Financial Aid Scheme.

I think that is also with the Minister emphasise which you can interrogate him on this as well. Where the Minister to the Cabinet to the Ministerial Committee and say we now want the support of the department and government to provide us with additional resources because we cannot work like this.

**Adv. PILLAY:** I am sorry! I just want to understand one thing, is the bid prepared by NSFAS or is prepared by the department?

**Mr STREDOO:** The department prepared the bid.

**Adv. PILLAY:** And you said that the department has never prepared the bid in terms of which it sort funding through NSFAS for poor students and the students of Missing Middle students?

**Mr STRENDOO:** Not for the Missing Middle.

**Adv. PILLAY:** Was that ever form part of the plan of the department that at some point is the department it would ask for funding for both poor and the Missing Middle students?

**Dr PARKER:** I think initially if you look at the way NSFAS is set up it could be university scheme and just depends. You only give a limit of the amount of funding that is available. But it given the FISCAS situation, it given the constrains, it given what you are able to reasonable ask for. We will be able to extend the past that because of the numbers.

But we would have ask for funding for any student who might acquire that within that model that had seen possible after 2012/2013 and particularly after the Fee Free Report. Remember the Fee Free Report was suggesting that we should try to push the selling of the NSFAS up.

**Adv. PILLAY:** Now the Pilot will be introduce in 2017 for future bids for NSFAS includes an allocation for the Missing Middle?

**Dr PARKER:** I think it depend on what comes out of this Commission. For example, the thinking behind this is that government must provide for the poor because that is what we be call in terms of the National Credit Act reckless lending. So from that perspectives that need to come from the FISCAS.

But in terms of other categories of the students bit doesn't necessarily only have to come from the FISCAS. And that is where we need to find partners from across the country from the private sector and so on and every source of funding to ensure that we can leaver as much as we can towards that.

If sufficient funding it found the selling could rise to any number. But really the idea is to be a serious public private partnership in relation to solving the problem of funding students who have financial need.

**Adv. PILLAY:** I just want you to ask a question around the Pilot because I am understand the output of the Pilot. What factors is going to be considered to say whether or not to exchange the Pilot beyond 2017? And when will be the decision be taken whether or not to exchange Pilot in 2017?

**Dr PARKER:** What do you want to test, we want to test the number of the system, we want to test the idea behind the scheme, we want to test the application process, we want to test the kind of support process that had been put in place. Ms WHITTLE you probably got things in front of you that got a number of different aspects that we would want to test.

So those things which I highlighted they are just certain things that has not gonna to be able to be test because in the long run if this things goes ahead we are going to need to have the link of the legal issue set up for the development of the extended scheme.

And the relationship between NSFAS part of it and the other part of the funding who come to set up is in very details forms and so then we will run it as a whole and it will includes funding for everybody.

It will be one system of Financial Aid. So what we are testing next year is really specifically the system for Missing Middle and unlimited institutions with unlimited the programme and really just to test and some of that are credible aspects in relation to its viability.

It is assumed that given the work that is going on there that one is hoping will be turned up to be workable. And also we don't want to go to full scale. We will be completely independent on the kinds of the decision that were made around this Commission.

And what government takes forward from these because this system is really about saying that we need to support students through affordable loans and enable them to get point of access Fee Free Higher Education but they will pay that loan later once they graduate. Ms WHITTLE is there anything to add to that?

**Ms WHITTLE:** Yes. I just want to indicate that there is another...

**CHAIRPERSON:** - Sorry what are your full names?

**Ms WHITTLE:** KAMESHNI WHITTLE. Director Management Support

**CHAIRPERSON:** Do you have an objection on taking the Oath statement?

**Ms WHITTLE:** No objection Chairperson.

**CHAIRPERSON:** Do you swear that everything that you are about to give will be the truth, the whole truth and nothing but the truth?

**Ms WHITTLE:** Yes I do.

**CHAIRPERSON:** If you do raise your right hand and say help me GOD.

**Ms WHITTLE:** Help me GOD.

**CHAIRPERSON:** Thank you.

**Ms WHITTLE:** There is a separate requirements that this model must also go through. It has to go through in the National Treasury procurement processes and that is the part from the Pilot.

The Pilot will run simultaneously with the feasibility study that must be done in terms of recommendation from the Report and where the Minister accepted the recommendation. So I just want to indicate that feasibility study will have to be done.

**Adv. PILLAY:** I am sure it is something that we look more closely than before.

**Ms WHITTLE:** Yes exactly.

**Adv. PILLAY:** Thank you! I have got no further questions Chairperson.

**Adv. ALLY:** That feasibility study it seems from National Treasury to extend to ten years. They said on Friday which is very unacceptable and unreasonable in time because according to their feasibility studies take a certain process. And that process can't be diminished or shortened.

They said well it might take up to ten years. Is the same feasibility that you are talking about, the PPP (Public Private Partnership) feasibility because in terms of their process feasibility study must then be conducted?

**Ms WHITTLE:** I am not sure which feasibility Treasury you are referring to!

**Adv. ALLY:** Well! It was around the same question that Advocate PILLAY was putting to you. The issue of the Public Private Partnership then came up. Then they said it is not a matter of just implementing, you first in terms attend National Treasury Regulations and processes you must first conduct feasibility study.

That feasibility study has its own terms and references and that could take up to as much as ten years which to me it seems initially unreasonable.

**Dr PARKER:** Perhaps I could respond to this question. In terms of the National Treasury feasibility study it could take up to ten years depending on how the work that is done. In our experience we did this for the development of the new universities.

We managed to get done in 08 (eight) months. The processes in terms of current view point is that we would really push this feasibility study to go through all the over the processes.

We will have to if it is seems as feasible also make some little changes to the NEFSAS Act and the rules of NSFAS. We are very well aware of that. We are putting in place already a process for the review of the NSFAS Act so that all these things can work parallel or coming in line with each other's.

So I do think that the link of time of the feasibility study it depend on actual context of that and what work we put into it and the length of time that might take to put these things in place.

**Adv. ALLY:** Thank you!

**CHAIRPERSON:** Thank you Doctor PARKER. You are excuse for the time being. Ms PILLAY can you give us an estimated time of arrival of the next evidence?

**Adv. PILLAY:** Chairperson we have just been informed little bit earlier that the team from that probation Committee cannot be here tomorrow after all because they have got some internal planning meeting and they have asked to be accommodated on Friday instead.

**CHAIRPERSON:** Can we accommodate them on Friday?

**Adv. PILLAY:** Yes we can Chairperson.

**CHAIRPERSON:** What else do we have on Friday?



**Adv. PILLAY:** We have got nothing planned. We are waiting to hear from the Minister of Finance on which day in a weekly he wishes to appear.

**CHAIRPERSON:** So he may come tomorrow?

**Adv. PILLAY:** It depend on what they will say when they get back to us.

**CHAIRPERSON:** Ok. I will wait to hear from you!

**Adv. PILLAY:** Yes thank you Chairperson.

**Ms KHUMALO:** I was hoping if we can accommodate them during afternoon on Friday.

**CHAIRPERSON:** Ms PILLAY do I take it as presently advice unless we hear from you to the centrally we will meet on Thursday morning.

**Adv. PILLAY:** That is correct Chairperson.

**CHAIRPERSON:** Thank you!