

# TRANSCRIPTION

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## *Commission of Inquiry into Higher Education and Training during SET 3*

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***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

**Witness:-**

***Minister of Department of Higher Education and Training***

***(Dr Emmanuel Bongikosi Nzimande)***

***Date: 13 October 2016***

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

**CHAIRPERSON:** Good morning everybody. Good morning Minister!

**MINISTER:** Good morning Judge.

**CHAIRPERSON:** Ms PILLAY?

**Adv. PILLAY:** Thank you Chairperson. The next witness in the set is the Minister of Department Higher Education and Training Dr Blade ZIMANDE.

**CHAIRPERSON:** Minister Do you have any objection to taking an Oath?

**MINISTER:** No Judge. I prefer to affirm.

**CHAIRPERSON:** That is fine. What are your full names please?

**MINISTER:** My full names are BONGIKOSI EMMANUEL NZIMANDE.

**CHAIRPERSON:** Is Doctor NZIMANDE, isn't?

**MINISTER:** Yes.

**CHAIRPERSON:** Doctor NZIMANDE do you affirm that in every statement you will be giving this Commission will be the truth and nothing but the truth?

**MINISTER:** Yes I do affirm Judge.

**CHAIRPERSON:** Thank you. Yes Ms PILAY!

**Adv. PILLAY:** Thank you Chairperson. The structure which we have agreed with the Minister is that he will speak briefly to the introduction, just to make a few introduction remarks. There were specific questions posted by evidence leaders to the Minister by correspondence and those inquiries relate to eight specific topics.

So the Minister will address each of these specific topics. At the end of each topic we will post questions to the Minister.

**CHAIRPERSON:** That is fine. Minister when you are ready you can you can proceed to the topics posted. Thank you.

**MINISTER:** Thank you very much Judge and the Commissioners (Advocate ALLY and Ms KHUMALO). Thank you for the opportunity to come and give evidence before this Commission which as Department we regards as very important for the future post qualification and Training in our country.

The Commission (just by the word of background and introduction) post 8 (eight) questions all interrelated which the Commission said they would like me to respond to and also reflect upon.

At the high level the focus of the questions relate to the progressive realisation of Section 29 (1) (b) of the Constitution and the Policy decision and action that have been taken by Government to realise this right.

I will come back to preferring especially just to remind the Commission and other of what Section 29 (1) (b) says. Since the establishment of our Government, this of course the issue of progressive realisation of the right to further education as express in the Constitution as our pre-occupation.

Is not a matter that is started with our Department, is a matter that goes back not only just to 1994 but even prior to 1994 with the establishment of what was known as tertiary fund for South Africa (TEFSA) which was established before NSFAS at the insistence of our late President Mandela in order to cater for kind from poor families.

However Judge, after the establishment of our Department we actually recognised that a major priority of our country need to be the development of the full range of education and training to support all out of school youth.

It was out of this that we conceptualise the idea of talking about a post school system who is aim to overcome the structural changes facing our society that is a large number of young people facing a big future if major changes were not introduced .

This was highlighted in our Green Paper which we established in January 2012. The centre for Higher Education transformation in 2009 had conducted a study which early showed the nature of the problem. The Report of the study showed that in 2007 there were 2.8 million people between the ages of 18 and 24 who were not employed, not some form of education or training and not yet servilely to what we refer as need.

This problem was set to threaten the social stability of South Africa. I then consider this Report and then we said our mandate must be a comprehensive post school education and training system of which Higher Education or university education would only be a part.

Our mandate also therefore out of this we saw as not only dealing with the youth who completed school but also that our mandate covers youth that leave school before completing.

In other words Judge our mandate is to respond to all those who have left school whether they finish or not, whether they went to school or not. That is the mandate of the Department of Higher Education and Training. Within this context we then set

priority actually must be given to Technical and Vocational Education and Training sector.

Because our view was that we have a log side on the system, the biggest demand in the country are need level skills, here there is a university system that is larger than the college system. Not mean the university education is not important (I don't want to be misunderstood).

Also as part of emphasis on the TVET sector in terms of the huge shortage of mid-level skills (plumbers, electrician, welders, motor mechanics, etc) we then introduce NSFAS (National Student Financial Aid Scheme) for the first time to cover fees for the TVET Colleges students.

The Department as consistently (I need to say this up front) putting bids like other Departments to National Treasury to approve the funding to support students at full cost of study through NSFAS both at universities and at TVET colleges. After the 2010 NSFAS review which we did I submitted the cabinet memorandum to request additional funds and argued that it was essential for Government to substantially increase the NSFAS baseline.

Since 2013 my Department has consistently attempted to get sufficient funds to effectively fund all poor students. Following the working Report group on fee free of Higher Education (maybe I just need to brief explain you although we may come back to this Judge and the Commissioners).

This is the Report that normally I said on it that it did not do anything about, in fact our bids since that Report were come out we were base to try to reach the kinds of

levels that we need to reach but I will be explain in that later how also NSFAS substantially increased but still remained inadequate for our purposes.

After the 2015 Fess Must Fall protest as we will show later the Government provided substantive additional funding and currently also our work is focus on propose a funding scheme that will also assist both poor and Missing Middle students to access Higher Education at TVET opportunities work which we hope will come your way Judge at some stage because it is an important dimension of what the Commission is dealing with.

Let me go to the first question after which then I will pause. As to what major has been taken by Government to respect to protect, to promote and fulfil the right to further education as contain to Section 29 (1) of the Constitution? Section 29 (1) Of the Constitution of the Republic of South Africa says that and I quote:- “Everyone has a right.

- (a) To Basic Education including adult Basic Education
- (b) To further education which the State through reasonable Majors must make progressive available and accessible.

The Department and Government generally clearly articulate that Basic Education including Adult Education is the fundamental and basic right that must provide to all who need it while further education which will be interpreted as including Higher Education also refer to university education and Technically Vocation Education and Training (TVET) are secondary rights that progressively available and accessible to those who marry it and other ways who meet the requirements.

Within the remedy of our Department the provision of community education and training gives a fact to Section 29 (1) (a) namely that everyone has the right to Adult Basic Education while the provision of TVET and Higher Education respond to Section 29 (b).

In other words that is why we are building a new layer, a new institution which we refers as community education and training colleges to try and realised the rights to Adult Basic Education to escalate what Government has been doing.

It is noted that Section 29 (1) also refers to the provision of school education by the department of Basic Education specifically general education and training which grade R to 9 which gives the facts to Section 29 (1) (a) and further training and education and training which is grade 10 to 12 which gives a fact to Section 29 (1) (b)

Therefore to make further education available is interpreted to me that the system must grow to provide sufficient spaces or opportunity for study.

To make it accessible means it should be affordable and individual should not be denied access base on financial need on the basis of disability and other form of discrimination.

Now what are some of the Majors that Government has taken to promote access to further education? Firstly...

**Adv. PILLAY:** -Minister I am sorry to interrupt you, I just want to understand that would you prefer to do this by topic bases or you would run through all the topic? I think you are moving to a separate question, the next question.

**MINISTER:** Oh! Sorry! I thought that this was still part of 1 which is Majors taken by Government and other that we have 1.1, 1.2 and 1.2 goes a long way up to page 13 in terms of my document. But I am happy to stop here. Whatever you prefer which could make it easier to deal with my evidence.

**Adv. PILLAY:** Maybe I can click off Minister by just asking you some questions around the interpretation of the Constitutional right.

Just to beginning the discussion Minister in approaching the interpretation of Section 29 (b) does Government see at any level the need to realise the right to further education to all.

So in other words in the content of the provision at some point realising the right to further education for all or do you interpret the right as been circumscribe to only provide further education to those who can't afford it?

**MINISTER:** Thank you for the question. The way the government has interpreted this is that progressive realisation of free Higher Education for poor that has been how government has actually end cut this Policy because in terms of the level of equality in our country and giving our history or who has been deprive the most of access to further education it has been the poor.

**CHAIRPERSON:** Minister that can be right because what you are giving the poor a role of education the education that they require then our Constitutional rights will not assist because the progression is still continuing ensuring. Progression is there to provide further education and those who don't have further education will be entitled to have it and they may not be poor.

**MINISTER:** Our interpretation Judge, (thanks for the question) that maybe it lies in the word progressing and we have given progressive that interpretation that firstly we



must actually have those who must not fall out of this system if their academically deserve or capable and that is the poor.

But indeed that does not stop also that progressive who also begin to include others who may not fall within the category of the poor as defined by Government just like the current situation now. The poor has been defined at all those who come from the households who earn not more than R122 000.00

We have been self-critical of this some of the things that have to begin to look at.

This R122 000.00 has been there for ages but nevertheless let me not come to that now. To then also there are those who do not fall within that category but who still cannot afford which is then part of realising Section 29 (1) (b) to say there is this category, what do you do with it, which has been defined as Missing Middle.

I wish we can get a better phrase for that by the way maybe you will help us Judge as the Commission. So that is our interpretation giving the means that there is our disposal and priority that actually face...

**CHAIPERSON:** - I propose that even you have somebody who falls outside the Missing Middle it is a particular large family. It may be that family doesn't find education ages to can by and that in due cost as progressive those people will be covered to.

**MINISTER:** Judge I fully agree with you. We have begun to looking to this. For instance of who were dealing with this will come to this with the 2017 fee adjustment we are saying if we said for example we will assist all those families we are not going to charge the fee adjustment to all who earn up to R50 000.00 per month.

What if the family have got more than one students? Obviously those are the things that we should be look at it. If you ask my own personal view, I am allowed to say that?

**CHAIRPERSON:** Yes off Corse.

**Minister:** -Is that actually no one in respective of the income to should not be able to go somewhere say to get a loan even if I am earning a million rands per annum to say but because I am building a house I have got other commitment I want money to educate my child.

They should be a place ideally where should be able to go at a very list to make it long. Of course also if you have a system if you have such a system you can even consider charging interest on the sliding scale depend on the income of people who are actually accessing those loans. That will be part of progressive realisation of Section 29 (1) (b)

**Adv. PILLAY:** If I may ask you Minister, we know that the State will subsidy the system for universities through the Block Grants or Earmarked Grants. It does fund every students enrolling at public institution in respective of whether that student is rich or poor?

It does funding accept to extend that is need to provide Block Grants or Earmarked Grants to a particular institution. Do you see any NSFAS between the state funding students indirectly whether they are reach or poor and the formulation of Section 29 (1) (b)?

**MINISTER:** Thank you very much Advocate PILLAY. There is a very important issue that we are raising which is because is an issue that normally does not surface that the Block Grants and the Earmarked Grants. Block Grants actually because

Earmarked Grants sometimes may select but generally they focus in supporting particular areas.

Government then fund everybody. There is money that Government is paying to fund the running of said Universities and Colleges. Which means Governments does fund just beyond the poor whoever is at Universities.

The question that you are raising helps us to say what we are focusing on here are fees, largely in other ways the family of students' contribution but there is a relationship.

Definitely there is a relationship that is why as we are talking fees we have just undertaken as department through Mr RAMAPHOSA who is Deputy President now before he was Deputy President.

A very comprehensive review of the funding formula for Universities because we realised that you have to deal with the system as a whole in order to be able to address all the problems.

We are at the moment modelling that formula as how it could apply although some of the recommendations from there will started implementing them. Eg. Certain aside some fund for historic who disadvantage I Universities so that they can use those Earmarked funds in order to address issues of quality, some other backblocks and so on.

So I am not so sure although whether you wanted me to say anything more than that. But definitely there is a relationship because for instance it will be of no use to say now further education is accessible to many people as possible but they are accessing education into institution that are falling apart because they are not being adequately funded.

It is a very important issue because it talks also to balancing the priority that we have as Government. Let me just give you one example, one unintended consequence for having paid the fee increase this year for everybody by Government is that we have to take money that we had earmarked for Masters and PHD scholarship to produce the Lecturers that we need. For example South African academic now average 55 years.

If you do nothing about it over the next ten years will be big difficulties. So that amount of money was made for training especially young South African to be academic in our Universities.

Unfortunately that money went to Fees-Must-Fall. But it talks to that we are talking about that much as we are looking largely at fees here but we have to look at the system as whole, its funding as well.

**Adv. PILLAY:** I just want to post a question on fees for the Missing Middle. We now that the rights are at least as it is articulated in the 1996 Constitution which is provision of Section 29 (1) (b) which has been screened now, has been existing since 1996.

The first time we see any concrete Major which addresses the Missing Middle who will accept it cannot afford Universities fees. The first time we see such a major is in 2016. From that perspective why did you take that link of time to become addressing Constitutional Rights of the Missing Middle?

**MINISTER:** I think rehabilitated to do with the demand and what Government saw as a priority. It is a legitimate question that you are asking but Government thought that

we need to rapidly expand access for the poor which in essence is for the very poor but who are quiet academic.

That is my explanation why it has taken so long.

And also because of adequate resources even the poor by the way were not finding them adequately. What we normally Judge, refer to historic that students talk about we are owing NSFAS students talks about we are owing and NSFAS students are owing. As been results of the fact that has been talk slicing of NSFAS in many of our institutions.

Let me give a concrete example, you have a university that says in terms of its presentation we gonna take 1000 students who will require NSFAS support. But because the demand for access the university end up taking 1300 students. Yet it mean that if you have to split money for a 1000 students now is 1300 students which means that the NSFAS students who are supporting they carry not a full cost of study.

They are not been assistant because of study and then they started accumulating this other debt which they are expected to pay but they cannot be pay. That is another problem we have been having for a long time which we then began to address after establishment of our Department because in 2011 the DG if I am not mistaken through you Judge.

We paid this kind of debt for NSFAS students for 2010/2011 and then this year we paid for 2012/2013, 2014/2015 and I am sure that this 2016 they don't accumulate this new debt, we fund them fully.

So that is being a pressure point really that the numbers of poor who qualifies for NSFAS have just so big that we are not really be able to even cover that fully. So is a question competing imperative.

But now the reason why I think the Missing Middle become worse is because the R122 000.00 means has been there for a very long time and that increase the number of students that we categorise as belong to the Missing Middle.

They are poor students actually. If you are coming from the family that is earning R150 000.00 per annum you cannot really afford in University or even College fees for that matter.

That will be my explanation as what is that happen. Also maybe thanks to Fees-Must-Fall for actually highlighting this issue and its agency.

**Adv. PILLAY:** We will turn in a short while Minister to the question of Government responds to the Fees-Must-Fall movement. May you just finish the question on this topic with students who do qualify for NSFAS who expected to be really poor students because they fall in the main stress?

As you indicated the NSFAS allocations to even those poor students has been a historically been adequate. To me the demand for poor students and that reason university are been top slicing and etc.

There is a mean Minister that Government has been bridge of its obligation under Section 29 (1) (b) with respect to those students because it has not been able to fully. Comply with these allegations to fund those poor students the right to further education.

**MINISTER:** Judge! How would put it in that way that Government is in bridge because this matter are also based on affordability. They are also on other very pressing competing Government priorities and how we then slice the money that is in FISCAS. Right now we are sitting we are sitting with a challenge of implementing the national Health Insurance.

We have to build houses as Governments for poor for the poor and presented in the world that in 20 years any government has built more than 3 million houses and giving them for free for poor.

It has been happen to any other country between 1994 and 2014 for instance. Social grand that have played a very critical role in cautioning the poor from what could be forms of poverty.

We are not saying that we are not even poverty. So within that context therefore Government say well this is what we have, this is how far we can go. Social Economic Rights in the Constitution are very important.

I am not saying we should under estimate that because this issues we are dealing with highlights the issues of Socio Economic Rights but is the question of affordability and ability of Government to be able to pay that.

Maybe we need to ask a broader which I hope that the Commission Judge will be able to ask and provide and answer whereas there is money in this country that can be able to assists for us to be able to realise Section 29 (1) (b) for larger and larger numbers of people who are actually deserve.

**Adv. PILLAY:** That raises the question of periodization which we will get to in the course of the morning. That should like to move on the second topic.

**MINISTER:** Yes! Thank you very much. I will try not to reach everything that is here. I think that will help. I hope that it doesn't act to disturb those who are following...so I am on 1.2 now as to what Majors we have taken.

Firstly: - the creation of the new Department of Higher Education and Training was one of very important Major by Government to say look one Department of Education is too big to be able to deal with the scale of the challenges that face us.so our Department was established in 2009 in order will argue to focus on Section 29 (1) (b) of the Constitution is a much more dedicated work.

We then took a very comprehensive process of saying what is our Department which was established in November 2013 after approval by the Cabinet. As I said I don't want to repeat the Post School Education and Training System is our focus and we must provide school leaving, youth who are entering Higher Education and TVET Colleges as well as out of school who drop out before grade 09.

I will come back to the issue of unemployed youth so far as they would like to acquire a skills or some further education. They are our responsibility as well. Our Post School Education System, I am sure that the Department must have taken youth through this to compliance with 26 Universities.

**Adv. PILLAY:** Minister just to you that we had both presented by your DG and evidence functionalist working in our Department.

**Minister:** I just highlighted the Majors. Thank you very much. The Majors that have been taken in respect of the Sector is very briefly on Technical and Vocational Education and Training. I am not going to tell you the history but the most important thing is that if we look at the...



-Firstly let me just summarise this. In the creation of our Department the President said we were to give adequate attention to this Sector. It must fall under our department and become national competence rather than provisional competence.

So that it is be able to be better aligned with other institutions that are operating in national level like for instance the relationship with the University System and relationship with the Sector Education and Training Authority.

We have done quite a lot here which I am sure that the Department is actually taken through. We have very comprehensive turnaround strategy for TVET Colleges.

Focus being that we would like to make these Colleges to be Colleges of choice rather than third grade Colleges made to those who can't go to the Universities.

Because we believe that most of the skills that are need by the country can actually be able to be acquire through TVET Colleges. As I have said why we have expanded NSFAS such that no just over 50% or around 50% of those TVET Colleges do not actually pay tuition fees through NSFAS. That also we have more than double the intake between 209 in the enrolments to above from 350 000 to 710 535 in 2015

Those are 2015 figures. But I must say that that the issue of funding for TVET Colleges is a big issue for us. Although we are building new campuses, twelve in the rural areas where have never been post school institutions.

The twelve is still not enough but is our kind of focus to begin to say we would like that kind of mid-level training is available also to youth from rural areas. I don't know though you Judge if evidence leaders would like to move on to Higher Education or would like to pause at this stage.

**Adv. PILLAY** I think I have just one question of the TVET Colleges. You indicated that approximately 50% of the learners within the TVET Sector are fully funded through NSFAS and you said that they don't pay tuition fees.

**MINISTER:** Fully funded to tuition fees?

**Adv. PILLAY:** Yes.

**MINISTER:** But not other needs that they have. For example, in the original plan about TVET Colleges even under apartheid was that at least it should be a campus in every district which is still our goal as Government as we move forward.

Therefore you will find that many of this which will some of them are in Technical High School never have residential facilities for students or transport facilities for students.

So what we then do for the students is that we pay their tuition fully. Some of them we assist 15% of them (let me put in that way) of those that we assist we also help them either with accommodation or transport but that is far from the adequate. So that is why one of our biggest area require attention that is actually the funding of the TVET Colleges.

**Adv. PILLAY:** At the present Minister we know that the TVET Sector attracts the really poor students. In those circumstances has Government apply its mind how students if not get fully funded though NSFAS or do not get full funding in sense it does get accommodation and transport. How does students can get funding or access funding?

**MINISTER:** We have been consistently been putting bids though National Treasury to get of course with other Departments highlighting the fact that if Government is

even serious many of its goals in the development plan, we won't achieve those unless there is significantly funding for the TVET Colleges.

There is that understanding in Government, the issue is how then do we reprioritise that such we are able to get more money. We have in place a system to be able to roll out, to expand.

To expand to roll out we need we need infrastructure of course in a big way to build more campuses. The demand we have as the Department just about to have Mayors in South Africa have called me (I am not exaggerating) or if they don't call me we meet in the meetings, in conferences and so on, they demanded that I need a college in my area.

The demand is really huge but that is possible also because unlike before people now are beginning to ask for TVET Colleges campuses unlike before that they were seen as just places that are not where to go to.

**Adv. PILLAY:** I am just trying to understand your answer and I am really toughing what happen to the poor students in the TVET Colleges who does not get full funding through NSFAS. How does that poor students who can't afford to pay fees? How does the poor students access funding to top up what is left over?

**MINISTER:** Let me say this Judge and Commissioners, we have made a huge different by extending NSFAS to Colleges because there was no NSFAS before our Department at Colleges hence also the growth, to double in five years.

The number actually shows that there are attracting and we are beginning to make different. Of course Advocate PILLAY you are right, the situation is not good for those students who cannot afford. It is not good, I do wish to actually admit that at TVET Colleges.

That is why everything possible need to be done also to expand this. I was hoping Judge, I am hoping that in your work and recommendations really this must be area that at least must be given equal attention because if we don't do that we are going to continue and only funding the University Sector at the expense of this Sector.

**CHAIRPERSON:** What do you say about the fact that there is 627 private institutions providing quality education?

**MINISTER:** They are filling the gap Judge. They are really filling the gap. Some of them they are really filling an important gap and also providing access and offering good quality programmes but at the sometime you really have Fly-By-Nights that are robing students.

We tried to chase them with the Police every year, unfortunately our Criminal Justice System seems no to prioritise this as a crime that people are actually giving students unregistered programmes.

As the Department we are making the effort also to make information accessible and to people say before you enrol please check with our Department whether that College is not only properly registered.

But on whether it registered for the programmes that it is actually offering. As I said Judge some are filling an important gap even they offer programmes that are not found in Public Colleges of course some of them are very expensive.

**Adv. PILLAY:** Minister we have approached a question of funding for TVET Colleges in respective to the students, the poor students enrolling in TVET Colleges. I just want to ask you a question from the prospective of the Colleges themselves.

You testified that the funding is approximately 80% (the 80% funded) but in reality that is 50%, Government have not be able to meet 80% funding limit. We know and we heard before presentation by TVET Governance which demonstrated that the Colleges have little or no what we understand to be third Stream income or what in Higher Education and Training context study should be an income.

In those circumstances how the Colleges are expected to make up the show forward?

**MINISTER:** Thank you. Firstly as I said we continue to ask for money from the FISCAS as the Department. We won't stop doing that because we also think that much as third Stream income is always important but if we have really establish and grow the System we need stable funding from the FISCAS which is quite significant. But there are another initiative that we have taken.

Maybe the DG and the Department might have indicated this to you. We are actually tried to bring the SITAS close to the Colleges. Within that it is very important because when we inherited the SITAS from the Department of Labour in 2010 strictly speaking we found that a lot of the programmes and training programmes by the SITAS more that 90% were offer by private providers.

We are not saying private providers are not do not have a role to play but it can't be that. We are talking about 89 billion rends of training money that is spend exclusively on private providers.

Then said to the TVET Colleges and SITAS come together. SITAS must also have the TVET Colleges to develop programmes that the SITAS and the employer are actually need. So this are offered through the TVET Colleges and the TVET Colleges are able to access the levy monies to be able to run their other programmes uneven

some Colleges are doing well. There is another way actually of raising third Stream income.

The other way of raising third Stream income Judge is getting TVET Colleges to be closer to the employer because the number of the employer themselves have got training and other resources need that we know that Colleges can offer.

Those are the some of the ways but as I said the balance for us will still be that a larger proportion will need to have to have to come from the FISCAS so for the main Stream running for the Colleges.

**Adv. PILLAY:** Minister in the context of chronic under funding of the TVET Colleges which you have described this morning. One of the fact which become to us and is one that I want to raise to you is around the funding of 0% increment decision. The decision is that they will be know if there is an increment in 2016.

We know that one of the Majors used to fund the effect of that it was SITA's money that destine for TVET Colleges. In the context of what you describe this morning. Do you see that the decision has been justifiable decision that money that was Earmarked are going toward TVET Colleges support was redirected to compensate or to set off set the effective of the 0% increment decision in the context of Higher Education and Training?

**MINISTER:** Judge I should apologise from the beginning I have got some flue. So I hope I won't leave it here for everybody.

**CHAIRPERSON:** It is too late Minister.

**MINISTER:** So my apologies. By the way through you Judge, I should have said the National Scheme Financial Fund has been giving quite a lot of money to the

Colleges. For instance, we have been allocated this financial year 2.56 billion for occupational programmes that has be dealt with. Judge question is at the heart of Colleges that face Post School Education.

As I indicated I didn't feel happy that we were to take more than a billion rands (I don't know the exact figure) from the National Skills Fund to fund Universities student's fees.

It is good for Universities students but it is unjust for TVET Colleges and for the unemployed because a lot of money will pump up into training including Learnerships and Internships for the unemployed youth so that they can improve their prospects of at least getting a job.

I don't want this thought to be misinterpreted as if I am saying it is not important to find the University education but that question does arise if we have got this amount of money in the FISCAS.

This question is very important. How should we be spreading it? In other words the issue of reprioritisation is going to be very important where we do not have money. Let me raise another issue that we don't talk about. We found every students who qualifies were not of the most of the students who qualifies exempt this year we took every students who qualifies for NSFAS even more at the universities didn't have money or the Colleges.

That is the money that we are going to be able to. We would have to raise as Government. So we support all these NSFAS students but we don't ask the questions or we ask it but we are not able to deal with it because of the pressure of the access.

Are we spending these money wisely? Are we funding NSFAS according to the skills priority of the country? We are not because we take everyone who qualifies for NSFAS in respective of a programme that that particular student is going to be covered.

At some stage we will have to confront the question. Instant as part of dealing with that we have taken money from the National Skills Fund and say for those students who are going into Scarce Skills at Universities, Engineering, Aquarius Sciences, Accounting and extra.

We give those bursaries as part of trying to collect and this are normal. We also then give money for Occupational Programmes as I have said at the Colleges so that we increase the production of Artisans.

Those are some of the questions that we have to future into our plan going forward in terms of yes we fund the poor, yes we want to progressively expand and assists others but how do we do that also in a manner that support skills priority for economic development in our country.

**Ms KHUMALO:** Morning Minister?

**MINISTER:** Morning!

**Ms KHUMALO:** I just want to check on the investment on the Occupational Curriculum. Are we confident that after that has been given we would be able to place them in the workplace once that funding has been there and what assurance and what partnership are in place for that?

**MINISTER:** Thank you Commissioner KHUMALO. The issue of placement is one of the priorities in the Department. In fact we have said we can't have a Post education



and Training System that is functional unless it also addresses the issues of workplace exposure especially for Colleges as you said.

That is why in order to improve that is still a big challenge because by the way South African employers (and I hope that maybe they will invited here before the Commission). South African employers largely are spoiled and it was spoiled by the apartheid really.

They just have no experience of workplace. Unlike a place like Germany and Switzerland employers take it as their duty to get young people to do internships because they are training for themselves. South African employer in the past it was the para status which training many white Artisans but the rest of South African employers they were not doing that.

One way of trying to do that we have restructure SITAS's funding which by the way some of them are taking me to Court for that. So that we release more monies for TVET Colleges students, for Universities of Technology students to be guarantee at least twelve months placement after completion in a workplace.

This is making some improvement. I must say I don't have a figures with me here but since this Department was established there is significant improvement but still remains a big challenge to actually place.

That is why also we still find people speaking about TVET Colleges and say "ya" but we know some of the young stars hereby the neighbour who have gone to TVET Colleges but they are actually sitting at home". So those are some of the Majors that they have tried to put in place an Internship, Learnership and Apendiship in order to improve employability.

**Adv. PILLAY:** Minister just a final question on the TVET Colleges before you move into Higher Education and Training. I post this question to in the context of the NDP which six to ten TVET Colleges in to the institutions of choice and which six TVET Colleges the parliament that you have upgrade enrolment for TVET Colleges.

In the context of chronic under funding and in the context of third Stream funding we know that in terms of the 2015 Norms and Standards that there is fee camping in respect of the TVET Colleges.

The context of the camping little known little know third Stream funding and obviously under funding from NSFAS. How the TVET Colleges expected to convert themselves into institutions of choice?

**MINISTER:** Firstly we change the name FET to TVET. It was not just a name change. What we are saying we are actually giving these institutions not so much a mandate but to focus them on the mandate that we felt had been not be adequately carried out before.

As I have said firstly that build closer relations with the employers you can't be TVET College if you don't have close relations with the employer in the vicinity of the Colleges because rural areas of course has certain challenges.

For instance if you can take a place like Durban and comparative to Kwazulu Natal. Because then we hope that the Colleges will raises resources by doing and also we are helping Colleges to build capacity to spend SITA's monies because quite a

number of them they failed to spend SITA's monies. They end up like becoming middle man.

We say develop these skills to provide this particular then they go and get a private provider and do it and then they take the money from SITA. They paid the private provider and they take their cars. So we are trying to assist the Colleges to have capacity to be able to develop this Skills Provisions that are actual require by the industry.

That is another way that we then want to do. If we can be able to guarantee every graduates TVET College or at least 70% that they will find a job once they complete they will be then become the Colleges of choice. That is the challenge and that is the work that we are actually to do with all the role players.

By the way I am not pursuing to be overly has on the Private Sector. There are some employers who are really working doing very good work with us. Some of them by the way are German, Switzerland companies that have got operations here. We are experimenting a system from here and see how we can actually began to build from here.

**Adv. ALLY:** They seems to be there, is a challenge and challenge has being there for sometimes in respective this particular Sector, the TVET Sector, and workplace learning and so on. I am not sure how long neglect has been existence. Has this discussions because neglect as I understood deals with Government labour business grouping.

Has this discussion not taking place in that particular level in terms of assisting you in your mandate of educating and producing skills in the country?

**MINISTER:** Yes Advocate ALLY. We have engaged neglect quite extensively. One of the engagement led to the signing (you remind me what is known as National Skills Accord). The National Skills Accord has got a number of agreements. One of those agreements is placement.

By the way placement is not just for the students. We also emphasise which was something that we requested from our Department, placement of Lecturers because that is also where having a challenge in TVET Colleges.

You find a Lecturer who is teaching for example Public Relations but has never in the Public Relations environment whether in the private Sector or Government to just teaching theory.

So we had an agreement, we had numerous presentations at neglect and also this National Skills Accord. Sometimes all the challenges in institutions like neglect you interact with the association of the employer.

So we have decided that we gonna do it both. But we are also asked to approach individual companies as well because sometimes just to limit yourself at the level of federation of company. You don't really reach to individual companies.

**Adv. PILLAY:** Minister just to get back to the question of the Fee Charging and the TVET Sector. I just want to understand the rationale for Free Charging and in that Sector but the likely equivalent to Higher Education and Training Sector.

In other words no fee Regulations in the Higher Education and Training Sector particularly given the fact that NSFAS pays in that Sector (Higher Education and Training) it fund students per capital in respective of the fees that the Universities pay NSFAS with fund the fee charge institutions. Why do you have Fee Camping in the TVET Sector and no fee Regulations in the Higher Education and Training Sector?

**MINISTER:** Judge I am not so sure if I understand what mean by Fee Camping in the TVET Sector. Do you mean that Fee Camping by the Department as how much fees they can increase?

**Adv. PILLAY:** That is correct. It is a Norms and Standards.

**MINISTER:** Yes. Maybe I will ask the DG to assists me with your permission Judge on that details. But what I want to say on the University Sector is that we agreed last year after the Universities Vice Chancellors requested to have the meeting with the President.

I think that was October last year just be a week actually or so before the Fees-Must-Fall protest started. We have identified this issue of fees increases at Universities as something that become a political important even before Fes-Must-Fall.

We agreed out of that process that this things of Universities, here there is their Autonomy of just increases. Why Universities increase fees by 7%, another one by 8% and another one by 10.5%?

Was causing a lot of problems in this System. So the Universities themselves voluntarily engagement with us agreed that we must regulate a Mechanism. They gave that task to me but we have agreed that so is has get credibility.

Sometimes Ministers are seems as not being fair, neutral and objective. (I regard myself Judge as been one of those most objective Ministers and so on but is fine). I said since you don't quite trust me I will go to the Council of the Higher Education and Training to then help us develop a regulatory or Mechanism.

That is why the CH is doing at the moment I have as then tome that proposal by the end of this year. But on that I am not so sure Judge through you if I understand the Fee Camping with TVET Colleges that is why I am requesting the assistance of DG on that detail.

**Adv. PILLAY:** Minister before we get back to the Fee Camping and the TVET Colleges. Can I just ask you in about the fee Regulations at the Higher Education and Training? Perhaps you could just highlight in sense to what is it? The substance of what the CH is considering and how and how that will impact the payments of fees in Higher Education and Training Sector?

**MINISTER:** Judge and Commissioners I am not sure if I can be able to answer that question authoritative for now before the CH come to me on what it is considering. I can only do maybe possible extra polishing from this Report they gave me to advise me about what need to happen about 2017 fees adjustment. Because I said to them "give me two Reports, 2017 by mid of the year which they did, the fees adjustment for 2017.

Then for the Regulations Framework that is complete give that to me by the end of the year which they have it because the deadline is not yet reached. For this 2017

what they considered is this issue of what is called Higher Education and Training Price Index. Usually Higher Education and Training Price Index is often two percent points higher than the CPI (the consumer index).

There is a debate about that but I know that there is actually one of the serious considerations that they will have to take into account. But also I am sure that they will also have to take into account is that the fees in our Universities is so varied.

What is our cheapest University? R50 000.00, R55 000.00 you can check that Judge but our most expensive University is R120 000.00. There is an issue that is being raised why this different. I think is something that we will have of course in historical. Also we must we must take that into account.

It is historical. In terms of better resource Universities were tending to offer a quality education and also able to attract better quality, Lectures and so on leading them perhaps to this desperatives that we have.

As I am saying I am extra polishing that can only be some of the issues but I will be able to know for sure and also be able to interrogate that when I actually received a Report from the Council of Higher Education and Training.

**Adv. PILLAY:** Minister just in respective of the instructions to CHG to the kind of Regulations and Mechanism that you are looking for. Is it related to Fee Regulations across the board or the Regulations it affect not students who qualifies for NSFAS?

**MINISTER:** It is fees across the board. It is for all the Universities because also is focusing on for everybody not just for those who qualifies NSFAS. The issue of what we do with poor students of course is a subject to be dealt with by the Commission.

**Ms KHUMALO:** We are going to the TVET Colleges Minister. I just wanted to check if efficiencies are in Government structure. What the speed into lightning is up so to peak because I understand the PSA is contradictory maybe the Principal has reporting to the Council or the Department. Is there any speed into improving those efficiencies if affect the ultimate running or the Autonomy of the Colleges?

**MINISTER:** Yes that is one matter that we are dealing with at the moment and we have not yet started now. We were started when we were working towards the migration of the Colleges.

That is one of the issues that we will place very on the high table because also migration has involved changing of the conditions of the employment of many of many staff at the Colleges. Many of them who were employees like private employees of the Colleges are now the main Stream pay role of in civil service.

There are challenges there as you said Commissioner KHUMALO but we are dealing with those. We are working with the unions, we are working with the Colleges Principals, we are working with the Governance Council in discussion and negotiations to finalise. Of course guided by Public Sector Bargain Regime because also there is a tension which Bargaining Council should work out with the TVET Colleges, is been there.

But we are working at that because we are quite keen as you point that we stabilise Governance in our Colleges because if we don't do that we won't be able to achieve the goals that we have set for the Colleges.

**Adv. PILLAY:** Are you ready for your next question?

**MINISTER:** Yes I am prepared. That is Higher Education and Training. The Higher Education and Training for a while now been guided by what we refers as a white



Paper number 3 a programme for the transformation of Higher Education and Training which was adopted by Cabinet in 1997.

It published in 1997 which then it gives an effect through various pieces of the Legislation.

Also we know that our University System in the early to meet 2000 under wet transformation in terms of merging institutions and the creation also of renaming your own your own Technikons to become the Universities of Technology.

By 2007 the Public System it grows substantially especially through Distance Education. And also continue to grow as a System as resulted in Universities enrolment increasing from 495 000, 356 000 in 1994 to 969 000 in 2014.

This figures is very important Judge because I am not so sure if there are many University System in the world that is growing this fast, to actually double Universities in twenty years is quite significant.

This is also part of the source of the problems that we are dealing with now because the University System grows so faster than the resources that government was able to give in order to support the system.

Because of that which is the most important thing that perhaps we also need to be say. It became a System that is highly depend on students' fees because the less Government funding the more Universities want to get more money from students by increasing students' fees.

Although the way I put this I say we are victims of our own success because we have really growing the System and change its demography in a very impressive way for the first twenty years.

The most important Mechanism through which we can support our University System as being through the National Students Financial Aid Scheme which we have already spoken about in terms of supporting largely students from poor background but we are academically deserving. Our System also have got Private Higher Education and Training institutions.

You will notice that the Private Higher Education and Training institutions we don't call them Universities because we are not keen to actually allow private Universities in our country on a full blow scale because that may cause a very serious threat to our Public Sector.

**Adv. ALLY:** Minister on that perhaps you can explain that the Constitution makes provisions in Section 29 (4) private institutions to be established. So I am just wondering whether one must be careful of saying we don't want threat from the private institutions and rather than they compliments each other at the end of the day.

It is where perhaps the private institutions has been now doing this through this Commission to come and ask where they can be funded also from the price of the Minister. Then perhaps you can but to say their threat quantifying perhaps you can expand on what you were trying to say.

**MINISTER:** Thank you Advocate. Through you Judge the Constitution does not talks about private institutions, it talks about Private or Independent Education in our institutions.

We understand the criteria for the Universities because the Universities must also have minimum provisions of certain things so many schools and faculties such as

standards and so on. Most of the private institutions that are operating here do not meet the criteria but we are also upfront. We are not very keen on that.

Yes private institutions can provide programmes that are not offered in the Public System. We need to be cautious that we protect particularly in a poor developing country. It is also a lesson that we have learned from other countries.

Many African countries they say: - "how can we do this because we are really in trouble now"? Some of these private institutions are not up to scratch and I am not saying that all of them. In some instances of course they raise in the cost for Universities Education.

Some of them that are good they are still our best academic and they are now taking the wealthy students. We need the wealthy students in our Public institutions because they pay. They actually provide the kind of support that we need. I am aware that we are under a huge pressure.

There are people who want to come and establish private Medical Schools. We are very re-like it as Government together with the Minister of Health Doctor MTSWALEDI because some of the negative implications of such private institutions that they have for the Public System.

I support that Advocate. There is a matter ongoing debate for us. I don't know you as Commission you have to debate and reach some conclusion and some point.

**Adv. ALLY:** The only reason I raise is that it has been raised in this Commission, the private institutions said they are regulated because they need to apply for accreditation and so on.

There you have been, we have a problem and we cannot cater the NDP target in order for you to have 1.6 million in 2030 you can have a problem. You don't have enough infrastructures. They then indicated why don't you then make use like you like you have private institutions in Basic Education and subsidise why we cannot have the same system in Higher Education.

I am just giving you what they have come on. The question has been post to them. In the first instance in respect of the Basic Education in an obligation on Government to provide that.

The Constitution some was phrasing is differently when come to Higher Education independent as you put. I said Private Higher Education institutions has phrased the Rights differently and whether government should then take it upon themselves to be funding is a debate.

**MINISTER:** Through you Judge! Is an important question. The reality that is facing Government is this: - the demand in the Public institutions to fund and to support students who cannot afford is so huge.

Which is perhaps why we are on this space that we feel to be unjust actually fund students in the private Sector. However this is the matter that we will require further consideration because those are some of the problems that we are facing as the Department.

We get approached by the students who want a programmes that we need in Government but is not offered in any Public institutions. But because our Policy says for instance NSFAS and other forms of assistance, we fund students who are in Public institutions.

We unfortunately have to say no as much as we need this programme. There are very good private institutions that are in this country but much as we need this programmes we cannot afford.

Some of them are very expensive of course. But is an issue that we have to consider that as we get hopefully more resources we can then be able to say where Government need a programme but is not offered in the Public institutions. We will pay for certain numbers of students so that they can actually do that funding then in the same as we do in the agenda at this point of time.

**Adv. PILLAY:** There is scope in the potential reforms of the NSFAS Model. Is the scope for students to get NSFAS when they are enrol in the Private institutions?

**MINISTER:** Judge not now the way I see it by getting money from some we can then be able to do. But is a question that is well wealth. It is the issue of progressive and priority. it is a question that is well wealth engaged.

For example as I was saying earlier, if we have got a loan system for everyone for education it should be possible that you can go to a Bank. Whatever loan system is there and get a loan and be able to go to any institution that you want whether public or private.

It is an issue that we have to be interrogated and also be prefer to be. The issue is how fast can you moving to that, how much resources can you get and so on.

**Ms KHUMALO:** Just Minister follow up on that. The SITA Scarce Skills Fees Funds there is a limit that is only for public institution? If it is the scope is created, what Legislative Framework need to be amended?

**MINISTER:** No! The SITAS are often guided by where would get the kind of training and the skills that is required by their respective either is for the Sectors in which then are operating.

Here I am talking principally on NSFAS specially. Is the money that comes from NSFAS and is made to support poor students. We are supporting students who studying in South African and also studying through the public institutions. But the SITAS has not be limited to that.

That is what I said earlier in fact we have to try and redirect some of the SITAS funds to also be used in the public sectors rather than using exclusively in the private sectors.

**Ms KHUMALO:** Minister the SITAS monies there is distributed through NSFAS, does it automatically take the distribution Policy of NSFAS or it is treated as a SITA money?

**MINISTER:** It takes in the Policy of NSFAS. The money that they put through NSFAS is actually following the NSFAS Model unless I am wrong DG. SITA they do not put all their money through NSFAS.

I also need to make that clear. Some of the money they spend outside the NSFAS to actually support other training programmes that they need according to their own sector and based on their Policies.

**Adv. PILLAY:** Minister I think we are on paragraph 8 of you respond.

**MINISTER:** We are on?

**Adv. PILLAY:** Paragraph 8 of your respond.

**MINISTER:** Oh!

**Adv. PILLAY:** I am sure you want to summarise that paragraph.

**MINISTER:** Yes. In so far as supporting Higher Education and Training into the context of Section 29 (1) (b) making Higher Education and Training progressively available. As I said we have double our enrolment since 1994.

We have a hugely transform students population substantial funding for NSFAS which is 1.5 million now. Since it is started at Universities there is 5 million students and of course 1.1 million in the TVET Colleges. One of the things that we are proud of is: - we have built two new Universities. Not enough but very important as part of expanding Universities and the third one of course being SEFAKO MAKGATO Health Science University.

In other words in short if there is one area that really be proud of as this Government is as much as more need to be done.

The fact that NSFAS has supported 2.6 million students overwhelm who have never set a foot in Colleges or Universities. In fact Judge I am an academic by background. If I want to go back to the academic one of the research topics I would be the extent to which NSFAS to contributed to the growth of Black Middle class in South Africa.

I have no doubt that possible it has been single most contributor to the building of Black Middle Class otherwise we would not have access Universities or Colleges. Of course when we are deep in winter we turn to forget how summer feel like.

Like now because we are facing with this protest in the middle of them we turn to forget how the Government has done progressively provide Universities education for children from poor families in this country. Obviously is not enough that is why the Commission is here Judge.

**Adv. PILLAY:** Just be very briefly on the NSFAS Minister. One of the big complains raised by the students who have made presentation before us NSFAS Model and believe to be in the side of 2017 Pilot.

Currently Model is based on the constituency Law System. They said to require poor students to pay back once they employed gainfully. It is healthy unfair and very honest to these students.

**MINISTER:** Well! I think those voices need to be engaged and be listen because this is the attitude of the Government. There is a point in that but again as a poor country. And remember by the way Higher Education and Training also gives access to a better life offer. So there is a private benefit from public schools provide skills.

In a poor country like our those who have been assistant must be able to plough back many other countries actually do that. The issue maybe that require debate is who should pay back and who should not pay back.

That is the issue that Government has been dealing with. That is why NSFAS actually is not purely a loan system. It got a bursary or grant component which is 60/40 (60% loan and 40% grant). It can be even changes to be 40/60. Something that we have to introduce in one of our annexure to this document. I think is annexure 8 talking about NSFAS.



One of the thing that we introduced is the: - final year students who are on NSFAS if they pass all their courses that whole year it converted to a bursary so they don't have to pay back. As part of satisfying the students trying to balance that you don't come out with hugely students' population who graduates from poor families.

But there is a place maybe for debate to you also ask the poorest of the poor to pay back or you only ask people who come from certain category of families. Although some people also that may not be fair criteria because you may find students who comes from the poorest of the poor but get qualifies in the fields that pays a lots of money.

So there is that question. Even also there is a debate on whether it should be a certain category of the poor students. Instead of saying pay back when you start earning. Why don't you do community services like the Medical Doctors are doing? They pay back through the two years community services which by the way they have a lot of advantages because that gives you the service important work and experience that is required.

Those are the issues require debate. As of now as a country we are saying we are poor country. Those who have assistance they must pay back so that those who come after that will be able to access Higher Education and Training.

**Ms KHUMALO:** Thank you Minister. Can I just check on paragraph 8 after discussing the realisation of these rights? Then you said but clearly is not enough. What will be enough? What will be the full realisation if everything was normal or it was be fully realised with the resources and everything? What would be the ideal situation?

**MINISTER:** The ideal situation would be to support fully well so far the Government Policy loans. All NSFAS deserving students but also we have to adjusting the NSFAS qualifying which definitely to change to 2000, is just too low. So as to where it will be I suppose there is something that I hope the Commission might be able to assist us.

At least all those NSFAS qualifying category to be able them then they don't pay anything upfront. Then also cannot afford but falls under that category will able to access some kind of loan or assistance or a mix of a loan and bursary so that they are able to actually complete. So should it be for Colleges not just for Universities and also the allowances is that they are needed.

That is the part of the idea because the problem also here Judge is not just money that is another matter that we must not lose sight of. 55% of students who started University in South Africa they do not complete. The figures for NSFAS we had for two year ago is that 40% of the students fail their first year.

In other words we count these billions of rands but lot of them they go through down the drain. One third of NSFAS students finish on record time. Another third drop out completely. Another third will finish a three year Degree in six or seven years' time.

That is why some other countries (I am not saying this is what we must do but I know other countries who offer some tuition free Higher Education) they don't support anyone who got less than 70% in Matric or equivalent because they want to guarantee that those who go to University they will pass they are not going to fail so that Government get return.

Of course in a country like South Africa we understand. That is why under that paragraph 8 also you will see that we about bullet point number 4 providing

significant investment in foundation provisions and the range of other initiative such as the Teaching Development ground in Universities to aim to improve the success rate of all students. Those are one of the things that...

**Ms KHULAMO:** -Minister sorry to interrupt on that! We even at that point had to ask the Basic Education to come and talk to us about the readiness of our matriculates into a system where any investment of this nature has made. What is your comment on that?

**MINISTER:** Of course Commissioner KHUMALO who have raising an important point because no matter we have two Department at education but we have one education system, we don't have two. That is why one of the thing for instance that the Department of Basic Education is doing now engaging with us is to look at streaming the Basic Education system because is still primarily having academic orientation.

That is why now what Basic Education is looking into engaging with us is to have two more streams what they call Occupational Stream in the schooling system and Vocational Stream.

So also by the way to improve career guidance which is another big issue that we are attending to because we have been given that responsibility as Higher Education and Training but we can't do it successfully without cooperating with Basic Education.

So it is an issue so that we are able to produce graduates or well High School students who are able to do better at University. But there is another problem here that maybe...

-because we have asked this question that briefly I must raise. We possible the only country in the world but I am not 100% sure. If we are not we are amongst very few countries in the world that have got 12 schooling system and three year Degree at University largely.

Many countries require for instance 13<sup>th</sup> year if you want to go to the University. In the UK and Zimbabwe is refer to as the A-Levels and then have the three year Degree. Usually the country that have 12 schooling system have got four year basic degree across the board.

There is a recommendation that has been made for us that: - "why don't we increase our Degrees by one year"? we are very relented to do that unless we guarantee that that will make a different because that is an extra billions of rand in the system and only to find that is only make an marginally improvement to the performance at Universities.

This are the some of the issue that you must look into which I am glad that there is still members of the Commission asking about it because for me is very important that as much as we are looking at money this problem cannot be resolve by money alone. We have to look into other factors.

**Adv. PILLAY:** Minister I see our time is flying. We come back to the University in the context of addressing other context, for example Government response for the demand for Fee Free Higher Education and Training. I think just before we break for lunch maybe you would want to deal with the Community Education and Training Sector and then we can break for lunch and come to the University.

**MINISTER:** Let me then Judge summarise this with your permission. I am sure that you might also have giving more details. What we are trying to respond to here

through the...we call them Short Community College in our lingo in the Department. We would like that also hopefully may be to a community lingo.

We are trying to respond to this challenge of Adult Education. We have got too many South African who have left school before completing Grade 12. There are those who completed Grade 12 but they didn't pass Grade 12.

We estimated in terms of our research that they are about 18 million South Africans who have left school who require some forms of Adult Education. If you look at our post school system its numbers is 1.1 million at Universities.

Let's say 800 000 at the TVET Colleges which is 1.9 and then we have got 350 000 in our Adult Basic Education and Training. So is 2.2 million around that 2.3 out of the demand which we said since to be around 18 million.

One of the problems with our Adult Basic Education and Training institutions (ABET) is that they cater for only one education. They cater for those adult who want to improve their formal education. I left school in standard seven so I go to ABET centre to do standard eight or standard nine so that I can write Matric and then the world opens up.

What our Department particular has told us that the need of adult South African are much more vary that. You may find a lady who left school in standard five has no interest actually in doing standard six or working towards writing Matric but want to learn a skill. Whether is backing or offensive in order to make a leaving and I identified opportunity an opp. Where do you go to find that? Nowhere!

So in other words to use the word that doesn't exist possible in English is that we also want to vocationalise our Adult Basic Education and Training Centre to be able to provide some short skills programmes. Hopefully we have relationship with TVET

Colleges such that is possible that you can get someone with Community College to acquire certain programmes.

And if that person get motivated can get to TVET College or even to University for that matter. Also they are poorly supported this ABET Centres. Some they have got some infrastructures, some they have no infrastructures they are using schools or University somewhere to be able to produce this.

We want to attend that. We also want to educators in the sector to make sure that they also have got skills. Is a very ambitious Judge but we needing it as a country. If we don't cater for this section of the South African population that didn't finish school we will be then perhaps as Advocate PILLAY arguing earlier in contempt of Section 29 (1) (b) of the Constitution because we also do need to address that.

By grouping this into community colleges because what is then to happening is that in each Province, let's say we have got eight hundreds of this centres disperse all over is very difficult to support that.

So now we are saying we gonna group then by Province initial and now we have nine community colleges that looking after this centres with the Principal and the Council so hopefully they can begin to support them better.

That is what is the essence but go and forward maybe in ten years' time you might start breaking down these colleges such that in one Province to start saying well maybe four community colleges so that we move even closer in terms of supporting this institutions. This is in our White Paper, this is in our plan. We don't have money. I know Judge maybe I prior to I am not sitting in your mind, you will say why do you do this if there is no money?

**CHAIRPERSON:** I beg your pardon!

**MINISTER:** I am saying judge I don't like to jump the gun possible you will ask me that question at some stage to say: -"why do these Community Colleges if there is no money?" That is the crack that we are facing as a country because we sitting with a huge demand.

You can't just sit down and not do anything about it. You try to use what you have to start building something otherwise if you don't do anything you are facing will the problems that facing the University System now and you have not done anything.

So that is what the heart of our Community Colleges. We hope that Government will have to reprioritise so that we are able to get money to do this. Some of the creative means we are beginning to is to say to some of the SITA's are the Communities College type programmes that you can begin to support.

For example Early Child Development initiatives. Where should those be offered? TVET Colleges or some of them may be offered in Communities Colleges as programmes that are actual...

-and other kind of community skills that are needed by communities can be offered by this institutions so that we can able really realise the objectives of section 29 (1) (b) of the Constitution.

**Ms KHUMALO:** Minister I wanted to check in terms of priorities. What will be? Higher Education or these Colleges. What is your sense on that being on the Department where both priorities are coming up as Constitutional Rights?

**MINISTER:** I must be care full how I answer this question because I don't want to be seen University education is not important. Perhaps let me start there before I

answer your question. Participation rates in Higher Education or in University Education in South Africa are still highly racialised for instance.

I don't have the figures in my head but participation rates are amongst white South Africans today as we are speaking and are lowest. Is very interesting because also participation rate in the community is very high at Universities at the point of time and the lowest is almost the same is Africans and Coloured if I use those categories.

So we still need to increase participation rate for Black South African in a big way in University education. However have been said that the Sector that need to grow fastest is the College Sector in this country because the Majors that look at participation rates but we should also be looking at the needs (those who are not anywhere who need to be absorbed by College Sector.

That is why our White Paper says and NDP 1.6 million University students by 2030 but 2500 in TVET Colleges and the million in Communities Colleges.

Those are the Sectors that need to grow faster both in absolute terms and proportionately than the University System. Even a question does need to be asked "how do you reach 1.6 million university students by 2030. Some time when you talk 2030 is like far, is 14 years away from now.

Do we not need which what our plan also is a question that is posted in terms to address increasing distance provision as one way of expanding although at the moment the failure rates is too high in distance because of lack of support. But the long and short of my answer is that we need to expand the College Sector much faster than the University Sector.

I think we have done relatively well as the department despite the challenges that we have because when we started in 2009 it was like three University Students to one



college students, to four actually when we started in 2009. Now we are almost on one is to one.

Even with NSFAS when you notice this year is 205 000 who are on NSFAS and 200 000 who are on NSFAS at TVET Colleges. 205 000 in Universities to actually tried to that. That is the reality.

If we are to address Judge, this are normally, we have got such high youth unemployment sitting side by side with high level of skills shortages. It is really is a huge normally. The only way then we actually address that is to open up the Colleges Sector.

Let me end by saying College Sector is not only TVET, is Nursing Colleges, is Agricultural Colleges and the whole range of other specialise Colleges that we need as a country in order to be able to address our skills needs once at the same time absorbing young people giving them hope. Hence the idea of post School Education and Training rather than just University Education.

**CHAIRPERSON:** Ms PILLAY is lunch time.

**Adv. PILLAY:** Just one final question on this topic. Minister just brief, we spend time earlier this morning highlighting the Constitutional Rights.

**MINISTER:** The Constitutional?

**Adv. PILLAY:** Constitutional Rights.

**MINISTER:** Okay!

**Adv. PILLAY:** And we know that the Rights to Basic Education is separate to the Rights to Further Education. The Rights to Basic Education includes Adult Basic

Education. With that apply me in mind why is the Adult Basic Education will shifted from Basic Education to the Department of Higher Education?

**MINISTER:** The thinking there is that if Judge you accept distinction between school and Post School is that Adult Education really belong Post School. It doesn't belong to Basic Education and it is different in character and also got own unique challenges in terms of how it need to be provided.

I suppose there is no ideal solution in other countries as part of basic but Government decided that no look in order to give them injection. Also part of the thinking of Government was that.

Just allow focus on our schooling system, we have got enough challenges, is huge, and is 12 million leaners. Let's just focus on it, is got many-many challenges and not then have Universities or the Post School dimension of it. Let another Department actually focus on that but of course the two Department as I have said they need to be relating to each other if we are to maximise even the possible gain out of creating two Departments.

So my answer will be that it is Post School is not a school much as some of the people at school. Also I must say this Judge, that is underline what I was saying earlier that part of the programme of making Adult Education part of schooling is that is become an academic programme only.

It is unable actually offer Vocational type programmes. So if you are locating Vocational type programme as part of post school locate it there so that we are able to use another word to diversify the offerings in the in the Adult Basic Education Stream.

**Adv. PILLAY:** Just a last follow up Minister, that decision to migrate Adult Education to the department of Higher Education and Training, does that have funding implications? Mean more competition for the post of Department of Higher Education and Training?

**MINISTER:** Yes. It does put pressure on our budget in a big way. But is a Government responsibility because if there is one area that we really almost totally neglect it in South Africa historic is Adult education.

I am more than happy to actually admit that. It was not provided with adequate budget even when it was still under one Department or part of schooling in the Provinces it was like an abandoning little cousin in the system that we really did it per particular attention.

Part of doing this is to say this now require need very serious attention but of course you can't give that kind of attention that require unless also resources flowing to that.

**Adv. PILLAY:** Thank you Chairperson. If I may propose we take the lunch adjournment now.

**CHAIRPERSON:** For now?

**Adv. PILLAY:** Yes.

**CHAIRPERSON:** Okay. Is a lunch for half of an hour?

**Adv. PILLAY:** Yes.

**Adv. ALLY:** Ms PILLAY before you move of the Colleges issue I just want to ask the Minister and you have basically put it. Minister the issue of Section 29 (1) (a) deals with Basic Education and Adult Basic Education as outlined earlier this morning.

And in the context of Community Education Colleges now Ms PILLAY was putting the point to you that Adult Basic Education was transferred from Basic Education to Higher Education and you gave us the reasons for that.

The issue that then raises is that the two Rights in A and B are distinctive and different in terms of high raptly is one interpretation that is the correct interpretation. One then cannot say which would probably qualify of hearing the question.

One can say we don't have the money for it. So when you are dealing with the Adult the Basic Education you have got provide in terms of the Constitution the money for that to realise that particular Right.

In lightly what I have said now would you like to qualify what you meant by there is no money for Adult Education because the two are different. One is Adult Education and you were talking more about qualifications for skills and the other one could be something else. Thank you.

**MINISTER:** Thank you Advocate and through you Judge. I don't want to abuse this platform. I am trying to go back. I negotiated this clause in the Constitutional Assembly. I am trying to reflect now in an attempt to answer your question. What do we have I mind when we spoke about Adult Education?

**CHAIRPERSON:** This is not a Court of Law you may abuse it as much as you want!

**MINISTER:** Thanks Judge that is appreciated. I am trying to think to reflect what did we have in mind. We possibly have in mind what these institutions are doing now. We might not have had in mind what I called the vocationalisation because that become something different. I am not trying to justify the fact that...

-I think that one can admit that we have not done well in this area of Adult Education as a post abundant government. We could have done more even if you are not talking about the vocational part of it.

That does not mean that there is not been resource constrains but we could put more, that is why we want to put it more now by ensuring that we give proper support not just monitoring important as it is but also creating durable structure that are going to support the provision of Adult Education and also provide in the manner in which we would now because I think what we had in mind was really that schooling by other means rather than misconception that we are having now. But I said even that we did not do enough. I am willing concede that. Thank you.

**Adv. PILLAY:** Just a follow up on that question Minister. I think the underline premise of that question is an important one because it focuses on the nature of the obligation on the State not so much the content of the Right.

Of course the obligation in respect of Section 29 (1) (a) is not subject to resource constrains as it is relating to Section 29 (1) (b) So to put it curtly to Government has to fund the money to realise the Right in respect of the Section 29 (1) (a) Right.

**MINISTER:** Yes. I can only say that Government will have to fund the money at least to demonstrate because of course I am not trying to justify non fulfilment of Socio Economic Right. Personally I am very patient about Socio Economic Rights.

They are always constrained by viability of resources even if you have but you say this one unlike Section 29 (1) (b) by that but I do agree we have to find money.

**Adv. PILLAY:** Maybe Minister you want to turn to two of your letters where you answer your question as regards to Government response to the demand for Fee Free Higher Education and Training.

**MINISTER:** What we are saying there is that in responding to the demand for Fee Free High Education and Training. Firstly let me clarify this. Perhaps if we put this as a demand may depart from the fact that Fee Free Higher Education and Training for the poor is Government Policy.

Has been Government Policy for quite some time so is not something that simply just arrives out of a demand that has been made, is that this Government we have been committed to this as well as of course since President ZUMA's first administration starting in 2009 education became defined as a prosperity not just...

**Adv. ALLY:** Ministers perhaps also to clarify. Is education as a whole or Higher Education as a Sector because there has been various terms used in this Commission yet. It is Higher Education that is the epics priority. The epics priority in your words is education as a whole?

**MINISTER:** Education as a whole yes Judge. That is what is an epics priority. Just to highlight, I have already spoken about NSFAS and how NSFAS has increased. For instance if you look at Universities under paragraph 2.1 I think it is the second bullet point. It has increased to...

-Let me start actually with the third bullet point because this is very significant just to remind ourselves of the figures. In 2010 TVET College NSFAS bursaries were 318 million and by 2016 they have reached 2.3 billion. What is also important about the TVET Colleges or NSFAS in TVET Colleges that is a grant if doesn't pay back.

For the Universities same period 2010, 2016 from 2.2 billion to 6.4 billion rand now. The total of 14.6 billion will be disperse by NSFAS this year to support proximately 480 000.

We have got also substantially additional funding disperse by NSFAS from the National Skill fund for Scarce Skills bursaries as SITA for bursaries to support skills in specific Sectors. Department of Basic Education for Teachers' bursaries and Department of Social Development for Social Worker amongst the others.

What we also do not mentioned here Judge is that Government funding for fee Free Higher Education is not only limited to this which is the matter now that we will need to consolidate.

For example, there are 3000 Doctors who are training in Cuba who are paid for by Government 100%. Medical students in South Africa we do not mentioned them here they get paid for by Government, those who come from poor backgrounds fully.

There are also many other bursaries that is what we would need to pull together, we don't have those combine figures. We would need a system to do that at National level by various Government Departments, Provincial level as well as Local Government level.

We also this year subsidise the 2.3 billion rand short fall as a result of no fee increase. Government paid 1.9 billion. Current as I have said focusing on the Missing Middle.

I need to correct this because the focus on the Missing Middle is not something that arrives as out of the Fees-Must-Fall campaign. Government has already identified this few years back and actually starting doing some work because we have seen this as a problem as a result partly on NSFAS cap that has not been change for very long time.

So the fact that we grow NSFAS like this is that is a Government to do this similarly in TVET Colleges as well. Maybe I can pause there Judge in terms of our respond. Maybe before I pause, sorry!

Let me just underline the point that I have made, it is not money alone that can be a solution to these problems that we are facing but it also to create a conditions for this monies to make maximum impact, to focus on the improvement the pass and the throughput rate as well as ensuring that these monies also handle properly without any form of corruption which is a challenge in a system. Let me pause here Judge.

**Adv. PILLAY:** Minister before we go to the Majors introduced by Government in respond to the demand. Certain premise by the student's demand as we heard though presentation made before us, is for what time deco modification of education.

Has Government when come to term what mean by the deco modification and what is the respond to the demand that Higher Education can be deco modified?



**MINISTER:** Government agrees with the issue of the idea that education should be deco modified. The issue is what the content meaning for this deco modification is and what does it translating to. Deco modification simple means education must not be sold and bought like a jersey so that only those who can afford money for the jersey will be able to get jersey.

It should be accessible to all those who require it. In our instance we defined that there is a poor instance as well as those categories who may not be falling under the poor but who cannot be able to afford. That is why we have this Policy precisely because we want access education not be based on who has money and who doesn't have money.

That some take this too far to say education must be there for free to everyone. That is not Government Policy and I think that is not gonna for Government go a long time to come. We have highly unequal society.

Those who afford to pay can pay and those who are rich wealthy must also pay. Is inappropriate in a society like ours to define deco modification in that manner. It must be the poor and those who cannot afford who must actually be assistance.

**Chairperson:** Do you understand students demand as be the demand should be free education for everybody?

**MINISTER:** Some of them, not all of them Judge. Some of them are putting this in some academic and saying education must be free for everyone. They want free quality High Education now.

**Adv. PILLAY:** So the demand for deco modification Minister has that file by number of students before us. Has been made by SAS, by BLF, by SASCO, by YCL. The basis for the demand for demand for deco modification of Higher Education is Public Good? That derive for Higher Education?

In their view, the public view is overwhelming Universities should be free for all. Should be at any price stake to Higher Education. In other ways no tuition fees at all and Governments must pay for all University Education. What is your respond on that?

**MINISTER:** From my engagement with the students not all students are calling that. There are other who understand that is not for all. Is not free Higher Education for all. As I have indicated some are demanding that but not all of them. Some of the students understand it. As I have said we have no problem with the deco modification. In fact in our instance, in our case, let me put it in that way as South Africa now.

What are we doing as part of deco modification in education by saying to those who can't pay? It must not like deco modification that they cannot afford. But pay for the riches would be deco modification actually.

Would be asking poor to subsidise the rich? If you ask everybody including the rich to be paid by Government you will actually deco modify education because poor will subsidise the rich.

**CHAIRPERSON:** What do you mean by deco modification depend on some of political concern of the students suggested Private Higher Education where itself affect deco modification of education and to provide of Private Education should be though you in jail.

**MINISTER:** In my young days I used to say so too Judge. Not that my ideological orientation has change but we should take into account the content. Let me put it like this, some have been saying and arguing CUBA Higher Education for everyone. Of course it should be because there is no wealthy class in CUBA. So there is a different situation all together.

You can't in highly an equivalent capital society have free Higher Education for all. Even when we have heard in some few countries the situation has been very difficult. For instance if you take this in some even country their Taxes are very high. You have got almost fully employment society with very high Taxes.

So also the standard are very high so you can't you can't get to University unless you get 75% and they actually sure that you are going to pass. But even in some Colleges is not free in the sense that Germany for instance they have done away with tuition fees. But is only tuition fees free system.

Food, accommodation and transport you pay for yourself. You know Judge maybe just to illustrate what I am saying our consult in general in unique. When I heard that Higher Education is free in Germany not only for Germans, for all students even outside from German.

I said this is my opportunity I was looking for because I want a space for Masters and PHD as part of our training of new academic. So I said well I am not so sure if we can benefit because is only tuition and possible the place to stay will cost three times and the food, accommodation and the transport even is a public transport.

So it may not be cheap after all for South African to go to German even if they can benefit from tuition fees. So that is our argument on Government position as deco modification in our context, what does it mean.

**Adv. PILLAY:** Minister you are correct some of the students when... for deco modification have tempered the demand so that at the moment they ask for fee free Higher Education and Training for all. Government has to work on that realising Fee Free Higher Education and Training for all at some point. What is your respond on that?

**MINISTER:** It depend on how likely to about. Maybe at some point yes.

**CHAIRPERSON:** Has the percentage of poor become very small at some point?

**MINISTER:** Possible or if you have social in South Africa Judge. That will also necessitate and also under what condition. I am just saying but on this trajectory we are on as country. Is difficult to see that in the immediately future.

**Adv. ALLY:** Minister your point remain, is not Government Policy now.

**MINISTER:** Yes.

**Adv. ALLY:** -And it won't be Government Policy for a long time. Perhaps how is your see able future?

**MINISTER:** Is South African remains the kind of society with this economic system that it has, I don't see it happening under the context.

**Adv. PILLAY:** Minister we looked quite closely on the chapter on education of the NDP (Chapter 9). IS very clear that at the entire is emphasises on the Public Good derived from Higher Education.

In fact testifying before us by the Deputy Chairperson of the Planning Commission Mr MAKGOBA. His testimony was that NDP does approach the question of Higher Education as a Public Good. Do you agree with that interpretation?

**MINISTER:** I am entirely agree Judge. Education should be seen as a common Public Good which is why the poor must be assistance to access it because is a Public Good.

Also must create institutions that they are available to all like what we are doing now. We are subsidising the University System, we are subsidising the College System for everybody. They benefit from this subsidy in terms of as Advocate PILLAY was saying (the Block Grants and the Earmarked Grants that we actually do).

In our context to make our education a common Public Good we must invest in it, build good quality system like our system is very repeatable not only on the African continent, the University system but globally. That is why Government is investing because is a Public Good.

**Adv. PILLAY:** Professor MAKGOBA's view Minister was that in fact the NDP inveigles free Higher Education and Training for all and he stated that Government can afford free Higher Education and Training for all and is just a question of reprioritisation that is preventing the withdrawal out of free Higher Education and Training for all. So in other words in his statement there was a misalignment between what the NDP requires and what the budget ultimately provides.

**MINISTER:** Maybe I am in a little bit disadvantage because I have not seen the actual formulation by Professor MAKGOBA but that is how I understand the NDP to be saying. It says is free Higher Education and Training for all. By the way even free education for poor is up until the entirement of undergraduate qualification, is not for the rest of your Honour, your Masters and your PHD.

Those get funded through scholarship base almost excluded on merit (if you are doing well you can be able to access) at least until acquire Higher Education and Training for the poor until undergraduate qualification.

**Ms KHUMALO:** Just on that minister “u” Doctor PARKER, we have engaged on the similar things, what is the formative on qualification that they are not allow you to enter the workplace? Immediately your BA Law and you still need an LLB so that you are unemployable.

How is Fee Free education help then if you have graduate with the degree that vocationally in nature on its own? She said on the circumstances TEFSA keeps in fun of the senior degrees.

**Adv. ALLY:** Just to clarify, for instance you have a BCOM and if you want to be a Catered Accountant you must do the Honours. So she was explaining those circumstances, they would be funding available for that. For an Engineering if you need an extra Diploma that will be funded?

**MINISTER:** Yes. She was correct. I was just articulating the principle that is free until undergraduate qualification. What kicks there is the Scarce Skills intervention, the fund of the Scarce Skills that goes to NSFAS which then says we will support instances where it require.

For instance let me make another example Judge which is the problem area we have at the moment, is that any university of Technology the basic qualification is the Diploma which of often is three year Diploma.

Says three year Diploma in Civil Engineering, you graduate. Strictly speaking NSFAS then does not then fund your BTECH which is your next one year programme because then you will be going outside the bounds of the Policy.

But if it is on Scarce Skills and the BTECH and that BTECH is gonna able you to go into the field so that you register as a professional Engineer then we provide assistance there. I suppose that is an issue of priorities again. We said in this instance because this is the skills we need.

**Ms KHUMALO:** Does the Act in its current form articulate that or is an alignment that need to be made?

**MINISTER:** Was the NSFAS Act! I am not so sure maybe we will need to check on that what it says but we regard that as the Policy intervention guided by a whole range of Government Policies in terms of what our priorities are. May not be in the Act like that but it is our Policy intervention which we think unnecessary that to address skills shortage.

**Adv. PILLAY:** Minister if I may ask you to have a look on Annexure A to this letter.

**Adv. ALLY:** Ms PILLAY can you just help us? In our pack we don't have Annexure A.

**Minister:** Oh! In the pack that we submitted to you Judge. Is that right Advocate?

**Adv. ALLY:** Is not enough! If Ms PILLAY you can just help us.

**Adv. PILLAY:** It appears in a blocks. So it looks like a table in a table format.

**Minister:** Is that one which have got the Report, recommendations?

**Adv. PILLAY:** Yes that is correct.

**MINISTER:** I have got it.

**Adv. PILLAY:** You said what is set out there in this table Minister, is the recommendations made in the Report of Ministerial Committee and the review of the NSFAS Scheme and the recommendations and status of the implementation recommendations.

The one that I just want to ask you certain questions is B in the first block. We know that one of the recommendations in the Ministerial was that Higher Education and Training Financial Aid Model that progressively provide free Education and Training to undergraduate level for students for poor and working class communities.

One of the steps taken to implement that was a set out in B, a Ministerial Task Team chair by Mr SIZWE QASABA has been establish in April 2016 to develop comprehensive funding of students support model for poor and Missing Middle students. Do you see that minister?

**MINISTER:** Yes I can see that.

**Adv. PILLAY:** What clear of from what reflected that is Task Team that has been established under the Chairperson Mr QASANA is meant to looks as the model or meant to come out as a support model for poor and Missing Middle students?

What I wanted you to ascertain is: - Does that mean that a Policy decision has been made within the Department and within Government that students from Missing Middle will from now be funded? And what left to determine at this stage? Is just a question of modality?

**MINISTER:** We have as Government identified Judge that. The issue of Missing Middle which by the way we started a while back that is why I also need to say that they will have to be a way of this looking finding itself into the Commission because you can't really separate this things but...



**Adv. PILLAY:** We agreed Minister that we will not be looking closely with the Report once we received.

**MINISTER:** Okay.

**Adv. PILLAY:** We have been trying very high to get that but because was due to place before you. I think people would like to give to us first.

**MINISTER:** Yes.

**Adv. PILLAY:** I am just trying to ascertain Minister whether they are be in a Policy decision that students from Missing Middle will be funded through NSFAS going forward.

**MINISTER:** We have identified that as a gap and there is principle that we need to find the way of assisting Missing Middle students. As to what form what we will take we are not yet there although a lot of work has been done by Ministerial Task team. Maybe also of course as the Commission you have got a power to subbing about. We were of the view because of the political sensitivities maybe when that Report comes we need to first processes which does not prevent Commission of making its comments on any type of comments on it. So that we will be able to manage that at least.

Because also from a political point of view it is got monitory implications. So in terms of our own procedures, for instance, you will have to have it via Cabinet. Even if the Cabinet doesn't take a decision but to be aware of what does it mean?

So as to where does that money comes from to help the Missing Middle it is something that yet has not been established but certainly yes we think that as Government we need to find ways and means on supporting the Missing Middle.

**Adv. PILLAY:** So this decision that has been made Minister that we will now come to assisting the Missing Middle and the money will follow. So money will be found to implement at least the Pilot in 2017.

**MINISTER:** Maybe let me put it in this way, the two things that has to come together because we have identified that the Missing Middle requires support. But you may find that because of the complexity, I am making an example of supporting a Missing Middle therefore it does not become impossible then we will be re-looking on that but we have been identified and said we appreciate that there is a real need there.

**Adv. PILLAY:** We know that the Model will be piloted it in n2017. We have had evidence before this Commission and the Pilot will be implemented in 2017. I just want to understand Minister, what factors will be considered as to whether or not to extend the Pilot beyond 2017?

**MINISTER:** Firstly I need to make this clear that we have not as yet. The highest authority which is the Cabinet is not yet given the green light. Is a suggestion that a Pilot need to be undertaken for 2017.

But even if they go ahead get giving it does not there for me that after the Pilot its certain limit will be implemented, that is why is called the Pilot because after that Pilot you might actually say “no this is not working”.

Either we through it out or we will find a completely different ways of dealing with it. And dealing with what as I said, we said let not let stop this ground work but that thing will not also finally be concluded outside the Commission work.

**Adv. PILLAY:** In terms of the Pilot I just also trying to get how it will works. If you have a student who is from Missing Middle and who enter the system in 2017 and she would qualify for NSFAS funding on the basis of the implementation of the Pilot.

What happen to that student in 2017 if the decision is not to continue with the Model beyond 2017?

**MINISTER:** I get your point. The proposal which I have said and is also just an official is that if a Pilot have to be done in seven institutions, if I am not mistake, that is the proposal but you are right may be is something that we haven't thought about which you are raising as to if we are Pilot it we are on the same way of creating something already. So that has to be taken into account as an account as to looking into the Report. Certainly is something that we have to look at.

**Adv. PILLAY:** The final point on Pilot Minister is that: - you know that in terms of Section 29 (1) (b) is to putting in place the Majors progressively to realise the Right. So once you Pilot the Model for 2017 if you remove the Model after that is it that progressive Majors?

**MINISTER:** If you remove support is not necessarily Model?

**Adv. PILLAY:** Yes the support of Missing Middle.

**MINISTER:** We will have to look to that because as I said is a legitimate point that we are actually raising as part engaging with the proposal as the whole. That is why they are for.

It is very important sooner rather than later that Model with have to come here because the Commission will have to reflect on that otherwise we run the risk of indirectly taking away some of the powers of the role of the Commission or we run parallel processes that will not actually be the idea.

As I said in so far as doing the investigation we said we must not stop just because there is a Commission because that work, if then to come here and at least there is some ground works that has been done.

**Adv. PILLAY:** We appreciate that Minister and we suddenly be looking forward to seeing the Report. We have been told that the Bucs stalks to you Minister, so maybe you can tell us when can we expect the Report?

**MINISTER:** Maybe if you can through Jude, I can request perhaps that our Council here could maybe engaged with yourself as evidence leaders as some stage to actually discuss this matter because there are...

-Is not that the Bucs stalks with me in not wanting the Report to come here, is the period that we are in. once it comes here is public. When we haven't look at it the political structures.

We are not saying that the Commission is subject to those political structures. I don't want to be misunderstood. Judicial Commission have got power over everybody but also it is important that.

So that even when you call us afterwards and say what are you saying about this Report we would have a chance at least to look at it through the necessary political structures. I don't know Judge maybe with your permission because we did this matter.

**DG:** If I may come in record very briefly Judge.

**CHAIRPERSON:** I don't know if there is important swearing.

**DG:** Yes I don't propose on giving evidence. There is a clear legal as well as political sensitivity about finishing a document which is drafted for submission to the Cabinet which Cabinet has not yet have an opportunity to see or to view. Therefore on that we will getting to legality which can find some mentality that will be accepted in support that.

**CHAIRPERSON:** You can't give us any time frame?

**DG:** Personally I can't. I don't know whether the Minister can!

**CHAIRPERSON:** When we do hope will be place before the Cabinet Minister?

**MINIWSTR:** Judge the Report now is supposed to be with my office with the Department. That is what we had agreed. DG?

**DG:** Is still finalising.

**MINISTER:** Is still finalising?

**DG:** Yes Minister.

**MINISTER:** What time now? What date is it?

**Adv. ALLY:** We are looking in the context of the Commission as you know.

**MINISTER:** -Time table.

**Adv. ALLY:** Time table.

**DG:** (Is better we come back to them).

**MINISTER:** Can we can back to you Judge on that?

**CHAIRPERSON:** Yes. I can't see that we can bid you anything here...

**MINISTER:** -Can we come back to you as soon as possible?

**CHAIRPERSON:** I will ask you to bear in mind that it is important in the way we are doing. We would like to find the Government is running in one direction and we are in the other with little possibility of our meeting.

**MINISTER:** I agree and entirely with you that is why I have emphasising that this Commission will have to have such and be briefly and be able to ask questions about that because it is a proposal. Is just are concern that it should just take certain stages. Also we want to bear in that mind that we don't want to delay the work of the Commission.

**CHAIRPERSON:** I fully understand that.

**MINISTER:** Yes.

**CHAIRPERSON:** Thank you.

**Adv. PILLAY:** Thank you Minister if we can move to briefly to the question of prioritisation Minister. We know that in the past years since the Fees-Must-Fall begin in 2015 there had been a numbers of significant decisions taken in response to the protest action that includes the 0%increment decision.

The decision what we called Circular Circle decision around students did for the past three years. It includes the more recent decision that Government will subsidise or will cover fee increment in relation to poor and Missing Middle students in the 2017. Of course also the Pilot which we are discussing now for 2017.

All of these appears to be concrete Majors introduced by the Government in direct respond to the protest action. The question however the Minister is: - Why these Majors were not introduced before the protest action commerce?

In other words was a question of lack of political way or what was the reason for this only intervention only become apparently once the protest action has been taken into the stage?

**MINISTER:** Judge I assume that Advocate PILLAY now she is covering the issue that I was just about in the rest of the document. Am I right?

**Adv. PILLAY:** I am sorry I may have jump under the rubric of response!

**MINISTER:** -I don't have a problem.

**ADV.PILLAY:** I am happy Minister. If you want to first deal with the narrative you can go...

**MINISTER:** -No, no, no! Because it may be a better way view of time. Maybe we just begin to go into those issues and where I fell may be that I just need to say a little bit that is here I will say in the context of my answer.

I would like to say Judge that at no stage did we stop the process of the progressive introduction of free Higher Education and Training for the poor as Government. What students they were complaining about perhaps is something that we can relate to the place at which things were happened in Government but we never stop.

For example, if you look at NSFAS the increase and other intervention that we made were actually informed by necessity to produce free Higher Education and Training for the poor and of course talking on the issue of Missing Middle. Let me give concrete example of that.

The first one is: - the fact that NSFAS is more than triple between 2010 and 2015.

That was the fastest growing in terms of the entire budget of government which then shows the extent to which we are doing.

Secondly that we also we also made is one of the document here now. I am not as elegant as Lawyers. Lawyers they always impress me in Court. If you go to the document so and so is all nice numbered and so on. I am not yet.

But there is a document here which talks about intervention that we made to NSFAS.

Intervention we made to improve and to make it easier for students to access (poor students for example).

When our Department were established in 2009 students were charge interest on NSFAS the first day they get the loan. In other words here is BLADE NZIMANDE coming to do LLB first year so that I have given NSFAS loan. I started at the 23<sup>rd</sup> of February at the University, interest start accumulating there.

I get for the second year LLB to more and more interest. By the time you leave you finish your Degree you not owe the original capital but it is only huge interest. So what we did is we say no this is very unfair, it makes life very difficult.

So we are not going to charge interest until a year after graduation which were some of the Majors that we are taking to introduced. I already spoken about the final year that if you finish your final year that if you finish your course for final year that get converted into a bursary. We then also the National Skills Fund which then this year has release 1.3 billion for Scarce Skills.

By the way those Scarce Skills bursaries are full grants, they are not to be paid. So all these were Majors that we were implementing including of course expansion into TVET Colleges. I would like to say Judge without fear of contradiction there is free Higher Education and Training in South Africa. The problem is that is that is has not reach everybody who is supposed to be reach everybody who is supposed to be benefiting from it.



**CHAIRPERSON:** There is also a contradiction in this because the more you convert NSFAS loan into bursaries the less the sustaining you making a project and one of basic foundation of the NSFAS Scheme is the attention that should be strive to sustainability.

**MINISTER:** Yes and No Judge because right away be a mix. It will have a Loan component possible larger but it also have a Bursary or Grant component.

**CHAIRPERSON:** In 2014 the coverage rate of NSFAS loan was 4%.

**MINISTER:** Yes Judge. This is a silently different problem because that one relate to capacity rather than abounding recovering that NSFAS is really be battling with capital to recover, which now we are significantly improving through working in the main with South African Revenue Services through other method.

We have actually identified now many-many people who are not paying back, who actually must be paying. Even Government employees. I am sure even in my Department there are NSFAS beneficiaries who are not paying but we gonna be identifying them now so that they should actually pay. We always knew that we will not...

-There will be money in NSFAS that will not come back because it will be translated into a grant which means that the FISCAS will always have been provide new money all the time. But then we hope as significant sizable action we will be paid back by those who are working. Whether that Model is still sustainable or not I suppose that the Commission will also to assists us in terms of examining quite critically and what need to be done.

**Adv. ALLY:** Minister just to return, I believe the document that you are trying to refer to on the tops says “all NSFAS and improve NSFAS”.

**MINISTER:** Yes.

**Ad. ALLY:** In answer to Ms PILLAY in regards to, there is only now in respond to the students. You were wanted to refer to that document. Is that correct?

**MINISTER:** Say that again Advocate!

**Adv. ALLY:** In response to Ms PILLAY question to you about Government only. Now increasing or Government only now announcing this decision in response to the Fees-Must-Fall. Start of your argument is not is not only now...

**MINISTER:** -Yes.

**Adv. ALLY:** -And then you said there is a document. Is that the document that you wanted to refer to?

**MINISTER:** Yes but it does constitute the totality of my answer because I was raising for now referring to this document just to illustrate the point that we have been doing certain things to improve NSFAS as part of implementing Free Higher Education and Training for the poor.

Then the point that I was going to be making is that “what is students protest essence are saying is that your pace is not enough”. You need to move faster which is why then is moving faster.

Well! That Report was dealing with an immediate situation to say no fees increase. It was entering there that is why it was occupied at the same time by the announcement of their establishment of this Commission because this Commission must now help us to move faster but also come out with a plan of how is this going to be done.

2017 also is a stop gap matter, it is an entering matter to say once you are trying up the Commission is doing its work, let's find some Majors of relief giving now what the students are saying. It is true we must admit. We were implementing it but students are saying is not fast enough.

**Adv. PILLAY:** Minister you have testified education has been for number of years now, has been an Epics Priority for Government. Is that correct?

**MINISTER:** Yes.

**Adv. PILLAY:** Do you assume that Higher Education and Training is also has always been in a Government Epics Priority?

**MINISTER:** From 2009 in terms of Government Medium Term Strategic Framework it says the Epic Priority being education including Higher Education and Training but within the context of the Constitution not in the same way. For instance, between Basic Education and Higher Education and Training and Further Education is it is captured in the Constitution.

**Adv. PILLAY:** Can I just understand what that mean Minister? Does it mean how you articulated the constrains of the Rights in the Constitution that transfer how Government approaches education as a priority?

**MINISTER:** Cay you say that again? Sorry!

**Adv. PILLAY:** You mentioned that is an Epics Priority that education is the Epics Priority and it is in the Constitution. I am just try to understand what does that means?

**MINISTER:** No, no, no! Not through the Constitution. Government Policy as captured in the Medium Strategic Framework from 2009 identified education as an Epics Priority.

Five priorities in the main which is translate in the outcomes. You were asking me if then I am talking about education as an Epics Priority. Do I mean both Basic Education and Higher Education and Training? That is why I said yes but within the context of the Constitution that the two things are not exactly the same much as Epics Priority.

**Adv. PILLAY:** Can I just ask you to explain what does that means in real time, in practical time? What does it means?

**MINISTER:** What it means with the Constitution is exactly what is the different between Section 29 (1) (a) and Section 29 (1) (b). Section 29 (1) (a) talks about Basic Education as a fundamental right but Section 29 (1) (b) does not say so in the relation to further education.

**Adv. PILLAY:** Does that means why Basic Education and Higher Education and Training are both Epics Priorities that are Basic Education is higher priority than Higher Education and Training?

**MINISTER:** The way it is defined in the Constitution as yourself you said earlier when you were talking about Basic Education and Adult Education that is a must that they must be given money unlike Section 29 (1) (b).

The fact that we were talking about both it means also in relation to Section 29 (1) (b). We actually intended to accelerate the realisation of Section 29 (1) (b) which amongst other things is illustrated by the increase in NSFAS and the expansion of the NSFAS into TVET Colleges.

**Adv. PILLAY:** We had before us Minister, Mr MICHAEL SACKS who the DDG in National Treasury. He testified before us that the CABINET LEGOTLA this year a decision was taken that Higher Education and Training is an Epics Priority. Within that context that might indicate that the Higher Education and Training is treated in the differently in the budgeting from now onwards.

**MINISTER:** Judge I am glad that the National Treasury came here to say that because they are precisely the one who must then give content to that. If he said that yes of course we hope that the Medium Term Budget Strategic Policy statement will be announce by the Minister of Finance.

Is possible going to signal that hopefully because I can't say I am not Minister of Finance but I am happy if National Treasury can to say that because of course they are the one who authorise to actually come out and say this is an Epic Priority and is gonna be showing in the budget that now more resources are going to be in Post School hopefully.

**Adv. PILLAY:** He didn't indicated that will be reflected in the budget, he said may be reflected in the budget.

**MINISTER:** That is better Judge, is better than nothing!

**Adv. ALLY:** Minister perhaps let's get the facts first.

**MINISTER:** "Ya"

**Adv. ALLY:** If it was said in the CABINET LEGOTLA, number one you will have been present.

**MINISTER:** Yes.

**Adv. ALLY:** Your recall of the CABINET LEGOTLA was it understood in that manner and articulated by Ms PILLAY?

**MINISTER:** Judge I have a bit of difficulty now with this question. The reason is not just I don't want to answer but Cabinet discussions are secret and also Cabinet decisions are announced through particular authorised channels that come from the National Treasury having an authority to talk about translation of priority into trends and sense hopefully. I will rather leave that to the National Treasury to be able to do that.

I am saying I am hoping that suddenly they will come out clear, clear out of the Medium Term Budget. Because even if I was present I can't make that mistake of speaking when Cabinet unless of course the law of the country and other process from that. I am in a bit of difficulties Judge.

**CHAIRPERSON:** We are not going to get that into the debate now. We must assume at the moment what is said by the Cabinet is confidential.

**MINISTER:** Yes.

**Adv. PILLAY:** May I just ask you Minister?

**MINISTER:** Yes.

**Adv. PILLAY:** You testified that the Department has made numerous bids to National Treasury for further funding, for additional funding and that not many of them are successful. Perhaps you can highlight us where it is that the problem be and at what level? Just on that we could understand where to conduct our inquiries.

**MINISTER:** Firstly there is bigger questions that is facing Government issue. Is Government budget reflect in our priority is the manner that should be. I think that will be the issue that I will be likely the Commission with appropriate people to interrogate that.

**Adv. PILLAY:** We are in the process of interrogating that issue Minister.

**MINISTER:** I will be very pleased because often the problem arises from there, one source of problem. But it is not a malicious thing if does not to the details reflect the priorities of Government as they are. Because of the many balancing that Act has got to be done and the many priorities that are there. That is the first issue.

The second issue is the State of the Economy and Revenue. Therefore that government is able to get as a results of the poor State of the Economy. As a matter of the fact one of the difficulties if you ask me as a Minister in Cabinet first appointed in 2009 and again in 2014.

Is that I have been Government Minister responsible for the Department that require huge funds of money. Right at the time in 2008 there was Global Economic meltdown. That has been my frustration Judge because had we maybe we would be actually talking differently. As I said I am not the Minister of Finance.

It just tell me that this Government has been in the shade of the fact that we have been in a Global Economic crisis that we are not out at the moment.

We are currently caution by selling our minerals to CHINA which was Gobbling Iron Ore and everything's. CHINA has stopped now. We were also caution by infrastructures, investment into infrastructures.

The administration between 2009 and 2014 investing a trillion, a record of trillion rands which also caution us. Otherwise is very difficult is been very difficult economically being in this towards the Ministerial (the past one as well as the one which also is another source).

**Adv. PILLAY:** Why this question of prioritisation become so crucial Minister? Is that we see immediately after the protest action in 2015? We see that reflected in this letter which is the communicate and the decision reach in January. You see the middle paragraph the President in January sate of the Nation announced that the Government has listen to the concern raised by students and had made a following key decisions on the short term funding challenges with the agreement of the Universities of South Africa.

Let's state you see a number decisions relating to, for example pay out historic students' debt and extra. What clear from this example is what we are driving Minister is that Policy decision is made and all of the sudden substantial amount of money is released to follow that decisions.

What we are trying to understand is how that happened. In other words are the amount of money flowing around can be accessed if and when the political decision is made?

**MINISTER:** Judge I know pots of money!

**CHAIRPERSON:** Just point it.



**MINISTER:** That are lying there to grap for because of the pressure the was reprioritisation. Let me tell you one reprioritisation that is very painful to me Judge.

I set aside a billion rand in my Department from the supplies from the SITA's to send Young Black South African to many universities oversea because we don't have enough Supervisors in capacity for Masters and PHD's to be trained, educated and to came back and to be allocated to our Universities for the period that we send them overseas.

That money is gone. It went to No Fee Increase. The danger of that is that it then postponed possible by three years. Our intervention to hold this process of the aging academics and unable to renew. Something that it is important, that is not just access but it is also be able to have a quality University system. So always when this happens unless you raise Taxes you will have to reprioritise from the existing budget.

So it is reprioritisation, but we must be clear about is that is reprioritisation that makes good in one area but is costly for other areas. Let me say something else by the way. We have set aside DG, through you Judge two billion rends over a five years period from this year (2016-2020).

Two billion rends for eight Universities which are former Black Universities here in South Africa for them to be able to use that money to improve their programmes and the quality of their offerings as they see fit.

For example, University of Zululand was wanting to use that money to create condition to be able to offer for the very first time in its history Engineering Programme at Richards Bay Campus. Engineering Programme that we need desperately in the country.

That money large part of it is gone, had to go to subsidise or to pay for no Fee Increase. That is why I think we need to be absolutely clear that reprioritisation means just that unfortunately what has happened is a damage programme that are unnecessary for the very same University.

**Ms KHUMALO:** Minister it been say that may be efficient can be improved in the South African System. We can limit maybe those school expenditure, corruption and then we can maybe we can recover some funds from that. Is that an option?

**MINISTER:** Is true at the level that if we fight corruption and we are able to not have money being lost by being stolen we indeed are going to be able to do much more. But we need also once that argument.

You can't say three billion rand (I am making an example) is lost in Health Department is gonna fund Higher Education and Training. Is still have to fund programmes in Health section. So we also need to know once it is in that way. Money lost...

**Ms KHUMALO:** - If it is correctly allocated without waste and corruption it is been in a common FISCAS? It will be not on the traditional revenue fund? It means it can be redistributed from there?

**MINISTER:** Sure I am not disagreeing with that. All what I am saying is perhaps putting differently the same one that applied that still have to be taken into account the many other priorities of Government although it is improve the availability of money.

That is what I am saying it won't necessarily be automatic but it would be improve but it will still have to be allocated in terms of various need of the Government. There is no doubt of fitting corruption.

We will really make a big different if we are able to lose the amount of money that is estimated that we are losing by National Treasury.

**Adv. PILLAY:** Minister if I may briefly move to PC targets and we know that the White Paper says the target for the PC System and specifically enhance enrolment targets. You already testify about negative consequences of increase enrolment in the context of students funding that means we know that increase enrolment means. For example.

NSFAS allocation become adequate that Universities supposed to tops lice, are force to tops lice in what students did. We also know that increase enrolment has an impact on Block Grants Funding because it means less funding pick up the students. Within that context is it still Government Policy that those enhance targets should inform planning or will be targets revise in order to make them more realistic?

**MINISTER:** Well Judge! I think this is a bit of difficult question to answer because it also involves projections of revenue. It also involves issue of capacity and all that. Is not impossible for Government to revise targets either downward or upwards depending on what the situation is.

We hope not that they get revise downwards because those targets set in the White Paper and in the NDP have been very carefully work out if we are upon to the economic need of our country as well as also absolve our young people including for instance this target.

Sorry for going back because I am very patient about it. We want to improve academic qualifications in Universities to 75% in PHD by 2030. Is a very important target. At the moment we are at what DG?

**DG:** 43%

**MINISTER:** 43% PHD is very low. In fact the average looks little bit more respectful Judge If you go to institution by institution. I just learn recently of a Lecturer who has been teaching more than ten years with an Honours Degree.

That is something that have got negative effect on what we are trying to do. So if I understand your question correctly Doctor PILLAY I hope that you do not revise these targets downwards.

**Adv. PILLAY:** Thank you, you just promoted me Minister!

**MINISTER:** Oh! What did I said? Doctor?

**Adv. PILLAY:** Yes.

**MINISTER:** You should do a PHD also. Maybe that is one of the decision of this Commission. And we will find you.

**Adv. ALLY:** Minister the consequences of your answer would probably be that, if you look at the NDP and the White Paper on their targets is it that they were made at the time when economically we were moving at a pace that was good enough to fund various projects.

Therefore it is important and therefore when you look at it now you cannot take the same target and say well “Nomakanjane” we will implement because we don’t have the resources.

But it is not for government to educate everybody that the NDP is necessary casting stone. They are there for to guide us and we must then to reach those targets.

**MINISTER:** Maybe let me just share with the Commission. I don't know whether is somewhere in our documentation that has been submitted before. There are three crucial processes that Government is engaging at the moment. The first one, in fact the first two are done by National Treasury.

They are costing the NDP in relation to Higher Education and Training and the White Paper. The costing they are doing it in this way: - they are saying if we can maintain what we are providing now and the existing plan how much is that?

But if we are to increase what we have in terms of what the White Paper says and the NDP is that. The two things are very different but those are the two processes that are been done by the National Treasury working with us so that we can answer that question even more authoritated as to what that require.

The third process that we are doing we are finalising our Post School education and Training Plan. This National Treasury System is also helping us greatly in actually finalising our plan because we want to go into detail ideally even when it comes to TVET Colleges and Communities Colleges to say what should happen in each District Municipality over how long and how much will that.

What will that require? Precisely because we want not to create false expectations and also to be able to say well, as you say Advocate ALLY maybe we plan during good times. It wasn't great of times.

Certainly we do need to educate our population about these realities and what they mean including our students. Sometimes you must distinguish between what is ideal and what is realistic. It is very important to actually do that but that is the one that we are doing. I don't know when we gonna finish it!

Through you Judge, DG we gonna finish that work. Because ideally it has been good to share some of it with the Commission so that for background maybe even our plan will be finish by March (the Department Post School Education and Training Plan). I am not so sure about the National Treasury one. By March as well?

**DG:** They haven't pronounced.

**MINISTER:** Okay. I just thought that for what it worth. Let me share that.

**Adv. PILLAY:** Thank you Minister. That one we will follow up with the DG's office. Just the second one last issue that I want to raise with you Minister. Maybe you can just share with us your understanding of the National Institutional Autonomy, Public Accountability and Academic Freedom.

**MINISTER:** Thanks. When we adopted White Paper 3 that I refer to it earlier on the Higher Education and Training in 1997. I remember that very well because I was Chairperson of the Portfolio Committee at the time on Education. We said (is in our Constitution). Let me put it in this way.

The Constitution protected the Academic Freedom. We then said as a country if we really in the South African content giving where we were at the time of giving our history.

If we are to achieve true Academic Freedom we need Institutional Autonomy. But Institutional Autonomy in its own is necessary but not sufficient condition to realise Academic Freedom.

Especially giving our history we need to balance it with Public Accountability. These are public Institutions, they must account on what they do and not just say they will do what they like because they are Autonomy.

The reasons for that were many, I am just going to mention that. Well. I have mentioned some that is because of our own history. The reality also is that we were afraid that giving our history certain institutions will use their Autonomy not to pursue Academic Freedom but to suppress Academic Freedom.

It is proven the world over by the way the Institutional Autonomy can be used to suppress Academic Freedom. In our case also we were scares that Institutional Autonomy was going to be used to pursue or to Block Transformation to say we are Autonomous, you are not going to tell us what the government want to do, is gonna be a business as usual in our institutions.

So that is why we then balance that with Public Accountability. The mechanism that we set at that time has be continuously even just like now. Part of the clarification now was say by the way actually. If you balance the two things that the Minister is giving now in law the powers to set transformation goals.

That does not mean that you interfere with the Autonomy but transformation goals can also be set by Minister. So to us the two things always go together which is our own innovative way of trying to deal with both our past and the way that we want to move forward.

But also my own view now (this is not Government view). My own view is that you also cannot have full Academic Freedom in the context of untransformed curriculum because is freedom to learn things that do not take us forward. That is now the issue that is raised by the students quite sharp.

That is why I wish they can go back to classes and we could have negotiations and have debate and discuss about what we mean about curriculum transformation especially giving where we come from.

They are beginning to raise these things, they are talking about decolonisation. All those are the things that have a bearing on all these three issues that we are talking about (Public Accountability, Institutional Autonomy and Academic Freedom).

Friendly that is the is the laid of the debate that I would like to see being be elevated in our country in our Institutions as part of shaping this kind of South Africa we want to have.

**Adv. PILLAY:** You mentioned the word Minister, maybe you can help us to understand. Just in your own perspectives what does Decolonisation mean what would require?

**Adv. ALLY:** Or do you need another week Minister?

**MINISTER:** No, no, no Advocate! In fact the way I would answer that is what we need a debate because I am not sure whether we are talking or even the students they read from the same hand book when they talk Decolonisation.

I said to them I would like to have chance to sit down and we have a debate so that I can understand better what is mean by Decolonisation. It seems obviously is at one level but at another level is not very clear at least to me. Is an ideological debate as well by then.



Is an ideological debate because from different ideological perspectives it has different shades of meaning but it is an important issue. It has been placed on a table and then it must be engaged and be debated and not do like some of our students, not all of them do.

You have to accept Decolonisation, is a demand, say yes I accept Decolonisation but I said I can't do that as Minister. You have to engage me, you have to persuade me, you have to tell me what does that mean. We could have very constructive debate differential increases by various Universities.

That is one problem area but the other problem areas that we that we have as Government is that we increased NSFAS by 6% but when an average rise by 8% which means we are chasing the moving target that we will never reach.

That was part of our own frustration as government because it means now we will always be on deficit. We will increase NSFAs but we take fewer students. We would assist fewer students.

That has been another area but also the Vice Chancellors themselves fortunately realised that this is very politics sensitive issue and then said no let's agree that we have a framework.

That is why I gave that to the CHE. That Framework ideally we are not looking at a Government Framework, we are looking at Framework Methodology to arrive at a Framework that will be accepted by everyone in the Sector. That is why we have asked CHE. The CHE is gonna come back with the proposal to say this is how we proposed that, we regulated the fees. The fact that I announced last year that not more than 6% which then became the NZIMANDE resolution when all of us we have agreed together with the students Leadership.

There was 6% increase last year so this year they said is all absorbed by Government. So 2017 when I made that announcement I made it clear Judge that is a recommendation coming out of the exercise that was done by the CHE.

Although the CHE recommended the particular figure but I decided through consultation. But it is for Universities Council to them make a decision because legally fees at Universities are determined by the Universities Council.

So the Universities, theoretically it is possible that one University can say no we don't accept this recommendation by the Minister, it will be within their power. We are going to increase our fees by 10% for instance.

Maybe one University can say I can increase by up to 8% but in the discussion but my Council gonna increase by less than 8%. So is the Universities. I am glad that you have asked me this because sometime when I am accused I am accused because I am having the power.

" why are you announcing for the Council then I said and clarify, I said no is the council who are going to take a decision then others said especially the students they said "ya" you are passing the Buck now why don't you instruct the Universities by how are they going to increase". I can't do that.

The concern decision that has been raised by sector to say let's have this framework. I am looking forward actually to the proposal by CHE. The sooner we have then we will be closer to the deadline that I gave them the better. I am sure by the way the sooner we get this that Commission will have a look at it.

**Adv. PILLAY:** Just a final topic which I want to deal with. Is that we heard from ministries in our hearing that the ANC had in both POLOKWANE and MANGAUNG conference may took resolution that they will withdraw the Fee Free Higher Education and that is the basis of the demand that they will fulfil. They promised to made. Do you have any comment on the resolutions that had in both POLOKWANE and MANGAUNG?

**MINISTER:** Thank you. In fact I want to go back with the Freedom Charter which by the way was not by the ANC document only. It is document that adopted by all range of the Organisations. The Freedom Charter does not talks about Free Higher Education. I am sure now by this time the Commission because you should look at it because this is a lot of debate and argument because is actually very clear.

In fact you know is very interesting. My own interpretation is that Freedom Charter was very more cautious that the latter document of the ANC about Higher Education especially developing country like ours. Is Clause 10.

The doors of learning and culture shall be open. If you are just be patient Judge. Just go down a little bit. Here is the paragraph! It says Education shall be free compulsory, universal and equal for all children. Then it says Higher Education and Technical Training.

That is my mandate at the moment, shall be open for all by means of State allowance and scholarship awarded on the basis of merit. So there is no free there! It says accessible for all but it based on merit and also is through State allowance and Scholarships.

That is what NSFAS has done. Actually NSFAS has met this. If you go to POLOKWANE and MANGAUNG I think there is one document that is circulating in social media Judge.

**Ms KHUMALO:** Sorry Minister before you proceed!

**MINISTER:** Yes.

**MS KHUMALO:** On the next slide it talks about Adult Education and Literacy.

**MINISTER:** Yes.

**Ms KHUMALO:** I wanted to check if that must...

**MINISTER:** Is adult literacy shall be done through, I must state that is what KHARIGUDE is. That is run by Basic education. Adult literacy shall be funded by a Must Education Plan. That is what KHARIGUDE has done. In fact KHARIGUDE has done very well.

We have gone very well far as a country toward illuminating literacy but that is not Adult Education. Is a literacy "A, E, I, O, U". There is a document that is circulating on social media is telling about for all. What it refers to I only point out for all in the body of that Resolution.

Is not looking as the Resolution and say Free Higher Education for the poor. So all in that instance refer to all in so far means poor is not everybody. So there is no Resolution that talks about Free Higher Education for all in the ANC. At least I was in both POLOKWANE and MANGAUNG Conferences.

In the MANGAUNG Conference I was at the education Council which drafted that Resolution. I think if people want to say that there must be Free Higher Education for all.

So for all refer to the poor for Free Higher Education to all undergraduates level students will be finalised for adoption before the end of 2013 Plan to roll up free Higher Education for the poor.

**Adv. PILLAY:** But I think the difficulties comes in the articulation of the Resolution because Resolution is not confined to the poor. Is just say is the Policy for Free Higher Education and Training to all under level students will be finalised for adoption before the end of 2013.

**MINISTER:** But what I am saying Judge that may be drafting. Look at the little says implementing Free Higher Education for the poor in South Africa. Those are sub paragraph for that topic. I don't think I am paying with words. Is just drafted may be in English for instance but is very clear that is for the poor.

**Adv. ALLY:** So are you arguing that is having a look at that paragraph. You have got read it with sub tittle, you get context on it and never met free education for all?

**MINISTER:** Absolutely yes.

**Adv. PILLAY:** Thank you Chairperson I have no further questions. I just want to check on the other evidence Leaders if they have any questions. We have got no further question Chairperson.

**CHAIRPERSON:** Thank you Minister. Thanks for your time, thanks the way you presentation we really appreciate it.

**MINISTER:** Thank you very much for the opportunity Judge and the Commissioners and the Evidence Leaders.

**Adv. PILLAY:** Chairperson if I may just indicate that Minister written report which we have been working through today is far more comprehensive than what he manage to present orally because of time constrains and we are in a process of making all exhibits so we will as that the written document will be marked as an exhibits in the context for the part of the record of the Commission.

**CHAIRPERSON:** Thank you!