

# Presentation to the Commission of Inquiry into Higher Education and Training (The Fees Commission)

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**FREEDOM. FAIRNESS. OPPORTUNITY.**

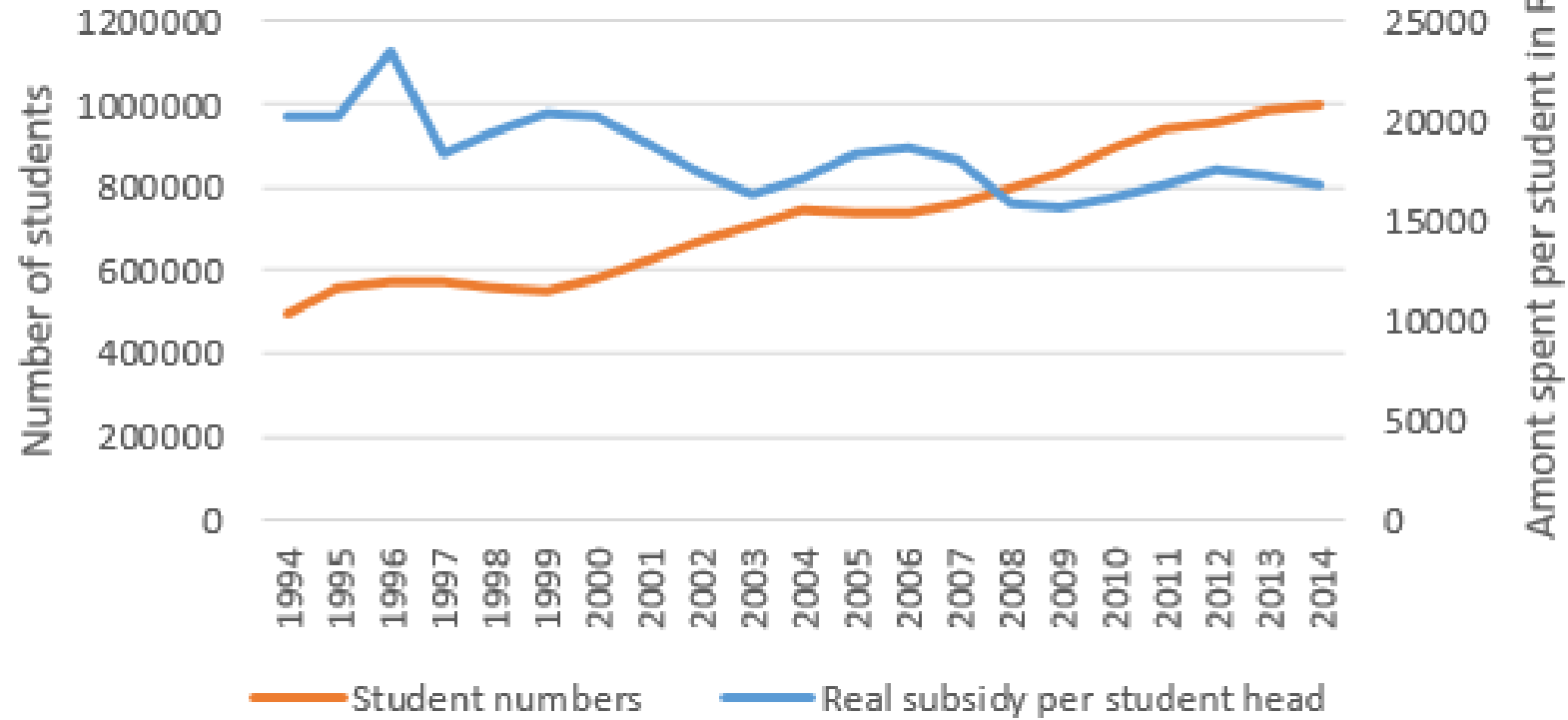
## Source of Universities' income – 1994, 2000, 2014

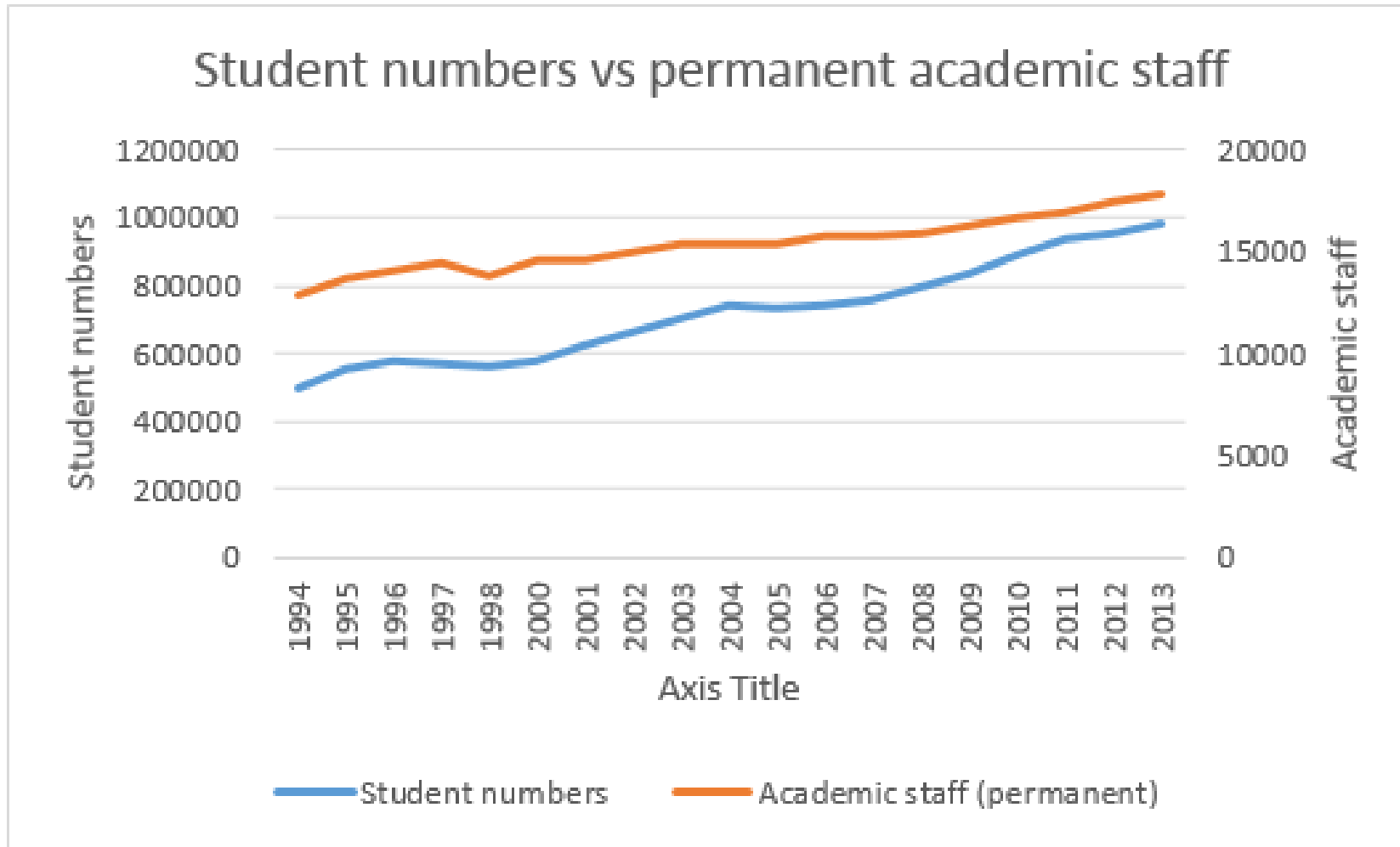
Source of income	Proportion in 1994	Proportion in 2000	Proportion in 2014
Government subsidies	50%	49%	40%
Student fees	20%	24%	31%
Third stream income	30%	27%	29%



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## Number of students vs the amount spent per student in real terms





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## Loan Recoveries from university students

Year	Recoveries
2004	R220 545 442.05
2005	R278 714 907.68
2006	R349 022 435.50
2007	R411 926 786.36
2008	R465 276 006.06
2009	R534 057 447.55
2010	R533 800 000.00
2011	R542 097 105.00
2012	R538 748 823.00
2013	R422 808 476.00
2014	R338 820 613.00



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## Hypothetical banded income-award scheme

Annual household income	Award
R0 – R150 000	Full cost of study
R150 000 – R350 000	66% of the full cost of study
R350 000 – R500 000	33% of the full cost of study



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## Illustrative possible costs emerging from each Scenario (Universities only)

Item	Current	Scenario 1: Simple, universal “fee free” for those currently in the system	Scenario 2: Full cost quality, fee free	Scenario 3: Sustainable, in depth coverage for the poor
No of students supported from all three brackets	173 885	173 885	350 000	330 000
Costs:	R9.63bn (partial costs)	R9.63bn (partial costs)	R26.63bn	R16.28bn (varied costs depending on bracket)
Subsidy to fund those who can already afford fees	R0	R14bn	R14bn	0
University Subsidy	R27.96bn	R27.96bn	R48.96bn	R42bn
Additional special Infrastructure grant - residences	0	0	R9.5bn	0
<b>Total Costs</b>	<b>R37.59bn</b>	<b>R51.59</b>	<b>R99.09</b>	<b>R58.28bn</b>



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