

MEDIA STATEMENT BY THE MINISTER OF HIGHER EDUCATION, SCIENCE AND INNOVATION ON 2021 FUNDING DECISIONS FOR PROSPECTIVE STUDENTS AND THE COMMENCEMENT OF THE 2021 ACADEMIC YEAR

11 March 2021

Programme Director;
Deputy Minister Bhuti Manamela;
Senior Management of the DHET;
NSFAS CEO, Andile Nongogo;
USAF leadership;
SACPO leadership
SAUS and SATVETSA leadership;
TVET College Governors Council
Leadership from Unions;
Members of the media;
Ladies and gentlemen;

To all prospective students, parents and South Africans at large, Good Morning.

Let me take this opportunity to thank my cabinet colleagues and the President of our Country, President Ramaphosa, for providing funding support, under trying circumstances, to keep the commitment that we have made as government during Minister Tito Mboweni's Budget vote speech on the 24th February 2021, "that Government remains committed to ensuring that deserving students are supported through higher education".

I therefore have called this media briefing following Cabinet's deliberations on this matter.

Before we do that I want to briefly reflect on the tragic incident that took place yesterday in Braamfontein, where a man lost his life in the midst of a public protest in which the law enforcement agencies became involved.

Our sincere condolences go to the family, friends and colleagues of the deceased. I have directed that the Wits University Council, the Wits Management and requested the relevant Law enforcement authorities agencies to provide us with an explanation on what caused this tragedy, and to take whatever steps to ensure justice is done and appropriate responsibility is accorded.

Cabinet met yesterday and discussed the matter of the funding shortfall at NSFAS, which I reported on earlier this week. The particular issue under discussion was the shortfall in funding for the National Student Financial Aid Scheme (NSFAS) for 2021 which has delayed NSFAS in being able to communicate funding decisions to students and institutions for first-time entering students in public universities.

Cabinet agreed that funding should be reprioritised from the budget of the Department of Higher Education and Training in order to ensure that all deserving NSFAS-qualifying students are able to receive funding support for the 2021 academic year.

Further reprioritisation can only be considered as part of the Medium Term Budget process of government, which takes place later this year.

This decision has been taken in the context of funding cuts and the impact of the COVID-19 pandemic. Following this decision, NSFAS will be able to release funding decisions, and the registration process at public universities can continue as planned.

No NSFAS-qualifying students have been affected by these delays, as universities had agreed to extend the registration period to ensure that students without funding decisions would not be prevented from accessing a place that they qualify for.

Cabinet also agreed that a comprehensive review of the student funding policy of government is urgently required and has instructed that the Department of Higher Education and Training, immediately commence with this work and report back to Cabinet.

The purpose of this process will be to look carefully at the funding requirements to support students in financial need in the post-school education and training system, to model the holistic requirements of students, including those from poor and working class backgrounds as well as the missing middle.

Government is very concerned about the issue of growing student debt in the system, as are the universities. This is an issue that will also be considered as part of the policy review.

Some of the demands that are being received by government and universities relate to the debt of students who may not be funded by NSFAS but who are struggling to register because they have not been able to pay debts, and but are doing well academically. In some instances, universities have made arrangements with such students to sign acknowledgement of debt agreements. In this regard, I will be engaging with the university leadership teams to explore ways in which we can try to ensure that final year students who are on track to graduate and are performing well are able to register for their final year through such acknowledgment of debt arrangements.

What should be clear from the above is that Government is firmly committed to implement the policy of providing fee free (fully subsidised) higher education support to students from working and poor backgrounds, whilst also putting a sustainable mechanism in place to support students from the so-called 'missing middle' income bracket.

I will now provide further detail about NSFAS funding for 2021 as well as the start of the 2021 academic year.

NSFAS will now be able to release funds for new students qualifying for NSFAS bursary support. As I already indicated, continuing students who meet the qualifying criteria have already been allowed to register. This process is extremely urgent as some universities are already starting their academic programmes, and others will be commencing during March and April.

I appeal to institutions and to NSFAS to ensure that this process is completed as smoothly as possible.

I would also like to appeal for calm at our institutions of higher learning. Where there are matters of dispute and grievances, structures are in place for SRCs and institutional management to engage on, and I urge that student leaders and institutional leaders make use of these mechanisms to resolve problems amicably. We cannot afford at this time to endure disruption to the 2021 academic year, which is already starting later than usual due to the extended 2020 academic year and the delayed NSC examinations.

The 2020 academic year was a difficult year for everyone. Students and staff at our public institutions had to adjust to remote forms of teaching and learning and institutions had to manage the academic year during different phases of the national lockdown.

I commend the institutional management teams and staff of our institutions for their hard work during the 2020 academic year. I also wish to extend my special congratulations to the students of our institutions who continued with their academic programmes despite the challenges of COVID-19 and the lockdown. This clearly demonstrates the character and commitment of the class of 2020.

I also acknowledge that yesterday I received communication from the South African Union of Students (SAUS), which represents all public university SRCs, outlining a number of demands of students. I will respond to this communication as soon as I am able to do so.

Now that the issue of the funding shortfall has been addressed, we will be able to finalise the funding NSFAS Bursary Guidelines for university students. These will be finalised within the next week and released to institutions as soon as possible. It should be noted that the changes are being kept to a minimum in order not to affect the administration of the DHET Bursary Scheme in public institutions. The Guidelines for funding of students in public TVET colleges were released late last year.

However, it is important that I clarify the core parameters of NSFAS funding policy for 2021. NSFAS funding is provided primarily for the funding of students completing a first undergraduate qualification. In the past, however, NSFAS has provided funding for some limited second qualifications in key areas.

Students who are already funded on these programmes will be able to continue as long as they meet the academic criteria. However, there will be no funding available for new entrants on second or postgraduate qualifications, as the latter is the responsibility of the National Research Foundation.

The only exception is that students who have completed Higher Certificates and gain access to a degree or diploma programme are able to receive funding, if they meet the academic and financial criteria.

The Department will continue to work with institutions and other funding agencies to expand the funding opportunities for students who do not qualify for NSFAS in particular in scarce skills areas. In this regard, we will also engage further with SETAs where support may be available for programmes in particular areas and indeed also to address areas of postgraduate funding where possible.

The following is applicable in relation to the DHET bursary scheme for 2021. Tuition fee and accommodation fee costs are provided for in line with the Guidelines for the Department of Higher

Education and Training bursary scheme for 2021, subject to the agreed CPI-linked sector-wide increases of 4.7% (tuition) and 6.7% (accommodation). Institutions must note that no funding can be provided by NSFAS in excess of these increases and neither can such costs be passed onto NSFAS bursary recipients. I wish to thank the university councils and managements for their understanding in adhering to these conditions.

I must also urge that all our universities stick to the agreed enrolment plans in line with the Ministerial Statement on Enrolment Planning (2020-2025). I will provide further detail on the numbers below.

All NSFAS-qualifying university students on the DHET grant scheme (i.e. those students who were registered prior to 2018) will be subject to the funding cap of R98 700.

In respect of student allowances for students on the DHET bursary scheme the following is applicable:

All students receive the learning material allowance, which remains at R5200 for the 2021 academic year. This allowance can be utilised by students to purchase electronic devices to support their studies, in line with the applicable university policies and schemes, where these are in place. Some institutions will make use of the NSFAS process for the provision of laptops to students.

The living allowance which is provided to full-time students in contact study remains at R15 000 for the 2021 academic year, and the incidental allowance remains at R2900 (for students receiving the R15000, the incidental allowance is included). This is provided to students who live in catering accommodation where their meal costs are covered through the bursary. UNISA and distance-learning students who are taking an equivalent full-time course load, and who qualify for NSFAS, will also be eligible for this incidental allowance.

The travel allowance, which is provided to students who live at home or in accommodation that is not accredited (and therefore do not receive an accommodation allowance) remains at a maximum of R7500 for the 2021 academic year. In respect of the allowances provided, the policy provisions outlined in the 2020 Guidelines will remain in place for 2021.

The 2021 Guidelines will confirm the detail on all these issues once released.

I must indicate that the student funding policy of government which is provided to support students from poor and working class backgrounds (that is from families earning less than R350 000 per

year) is a comprehensive one, because it provides support for both academic access and success.

We know that while access to appropriate support for students in full time study is one of many factors that support student success, it is indeed one of the most important. This is why government has committed such substantial funding to support students in public TVET colleges and universities. In many respects student support exceeds the earnings of many workers earning minimum wages and those who even earn below the minimum wage.

Government also has to ensure that it is able to meet other critical social obligations including social grants, support for school nutrition programmes, and effective support to the health system. These are the difficult balances that cabinet has to take into account when determining support for social expenditure.

I acknowledge that this period has been stressful for many prospective students wishing to enter post-school institutions as well as for their families.

I hope that today we have provided some assurance of the commitment of our government to addressing the funding needs of students from poor and working-class backgrounds in our higher education system, albeit under extreme difficult fiscal conditions. I look forward to a successful and peaceful academic year, and once again urge for all stakeholders to ensure constructive engagement around all issues they may face.

578 468 learners wrote the grade 12 examination in 2020. Of these, 210 820 learners achieved an NSC pass at Bachelor's level; 150 600 learners achieved at Diploma level and 79 117 learners achieved at Higher Certificate level.

The available spaces for first time entering students for 2021 in the public university system as per the enrolment plan are 184 315 for the system as a whole.

In the scarce skills-areas the available first-time entering spaces are 67 863. Of these 16 647 are in the field of studies in Engineering, 17 161 in the field of study in Life and Physical Sciences, 10 155 in the fields of study of Human Health, 943 in the field of study of Animal Sciences, 211 in Veterinary Sciences and 22 746 in Initial Teacher Education.

One of the key sectors forming part of the sectoral master plans targeted for economic reconstruction and recovery as announced by President Ramaphosa during the State of the Nation Address is the agricultural industry.

I am pleased to announce that through the National Skills Fund (NSF) and the Agri-SETA joint funding, we will be providing bursaries to approximately 4000 students who are studying at agricultural colleges, using the NSFAS criteria. Such students are currently not being funded by NSFAS.

This funding will also ensure that we continue to step up support for black small-scale farmers and the implementation of the poultry master plan and the sugar master plan, amongst others.

We will ensure that we work very close with the Department of Agriculture and Agrarian reform to also restore the physical infrastructure of these Agricultural Colleges.

In conclusion, I want to take this opportunity to restate our vision and mission of a department of higher education and training that “of a South Africa in which we have a differentiated and fully-inclusive post-school system that allows South Africans to access relevant post-school education and training, in order to fulfil the economic and social goals of participation in an inclusive economy and society.

The Department's mission is to develop capable, well-educated and skilled citizens who are able to compete in a sustainable, diversified and knowledge-intensive international economy, which meets the development goals of the country. This is our vision and mission to which Government is fully committed to.

I wish you all a safe, healthy and peaceful academic year. Let all remember to keep to all COVID-19 health and safety protocols.

Thank you.