1. **Report of the Select Committee on Education and Recreation on the joint oversight visit with the Portfolio Committee on Higher Education and Training to Gauteng, dated 15 March 2017**

The Select Committee on Education and Recreation having conducted a joint oversight visit with the Portfolio Committee on Higher Education and Training to the post-school education and training institutions in Gauteng on 17 – 21 October 2016 reports as follows.

**1. Delegation list**

**Portfolio Committee on Higher Education and Training**

Ms C September: Chairperson (ANC), Mr D Kekana (ANC), Ms J Kilian (ANC), Ms S Mchunu (ANC), Ms M Nkadimeng (ANC), Mr E Siwela (ANC), Prof B Bozzoli (DA), Mr Y Cassim (DA) and Mr S Mbatha (EFF).

**Select Committee on Education and Recreation**

Ms L Zwane: Chairperson (ANC), Ms M Moshodi (ANC) and Mr Khawula (IFP).

**1.2 Parliamentary support staff**

Mr A Kabingesi: Committee Secretary, Ms M Modiba: Content Adviser, Mr T Mankayi: Committee Assistant, Mr M L Ben: Committee Assistant and Mr S Maputi: Parliamentary Communications Officer.

**2. Introduction and background**

The Committees undertook a joint oversight visit to Gauteng to meet with the various stakeholders in the post-school education and training sector to discuss plans on saving the 2016 academic year and strengthening dialogue to enable both new entrance to the institutions in 2017 and allowing graduates to be placed into much needed scarce skills in 2017. The Committees also met with the Council on Higher Education to engage on the future proposals on university fees. The Committees interacted with the Council on Higher Education (CHE); Universities South Africa (USAf); the Quality Council for Trades and Occupations (QCTO); the National Student Financial Aid Scheme (NSFAS); the Higher Education Parents Dialogue (HEParD); Business Unity South Africa (BUSA); the South African Union of Students (SAUS); the National Business Initiative and the National Board of Convocations and Alumni.

**3. Summary of presentations**

**3.1 Universities South Africa (USAf)**

The presentation was made by Prof A Bawa, Chief Executive Officer (CEO) and highlighted the following: The USAf was funded through subscriptions from the universities. It represented the voice of the higher education sector, through engagements in policies developed by the state. USAf also acted as an advocacy agency to promote the role of universities.

The university sector was facing a crisis, due to the ongoing disruptions of teaching and learning by protesting students. The university fees had become very expensive and unaffordable for students, especially those from the poor family backgrounds. This was compounded by the decline in government subsidies per student over the last 15 years. The university fee increases had been based on the inflation rate up until 2004. However, higher education had become expensive and universities had to find ways of sustaining themselves, in the absence of adequate funding from the state.

Universities were likely to complete the 2016 academic year. However, each institution had its own dynamics. The main challenge in the historically disadvantaged institutions (HDIs) was adequate financial aid for the needy students. In institutions such as the Rhodes University and the University of Cape Town and the University of Witwatersrand, the student protests were driven by the need for government to support the missing middle students.

USAf was seriously concerned about the violent protests and the destruction of University properties. The damage to the University infrastructure was close to a billion when adding the previous academic year’s cost of the student protests. Some universities were finding alternative means to continue with the academic programme through e-learning. The relationship between the university management and stakeholders was unpleasant as a result of the current crisis, and an external mediator would be required to resolve the impasse.

**3.2 Council on Higher Education (CHE)**

The presentation was made by Prof T Mosia, Chairperson and highlighted the following: The key premises in higher education included; investing in the youth to develop their full potential; need to increase the numbers of capable and competent graduates; unequal patterns of access to higher education; legacies of inequality which continued to weigh heavily across all sectors of society; the existing challenges of access, equity and quality.

The funding of higher education could not be about funding University students only. There was a need for equitable funding across the post-school education and training sector and the schooling system. Planning, funding and growth of the PSET system must give attention to how access, support and funding would be provided, especially to the poor and missing middle across the PSET sector. The PSET spending growth had outpaced other sectors in the last six years.

The quantum of need for the PSET sector was vast. The National Development Plan (NDP) targeted an enrolment of 1.6 million students in universities by 2030, 216 000 extra beds were currently needed in higher education, and was expected to grow to 400 000 by 2030. The financial aid system would need to expand dramatically to assist students entering the Technical and Vocational Education and Training (TVET) sector.

Consistent underfunding had led many universities into dire financial strain and this was compounded by the zero percent fee increase in 2016. The proportion of government funding to University budgets decreased from 49 percent in 2000 to 40 percent, and in some cases 30 percent by 2013. The financial shortfall was made up by student fees, which increased by 42 percent from 2010 to 2014. The third-stream income almost doubled in local currency, but remained constant as a percentage of budgets.

In relation to access to higher education, the average annual growth rate in student enrolments for the entire higher education system for 2007 to 2014 amounted to nearly 4 percent. The total enrolment had increased by over 68 percent to close to one million from 2001 to 2013. The major portion of this growth had been in black African enrolment, which reached 70 percent of the total enrolment in 2013. In terms of the Gross Enrolment Ratio (GER) in 2011, there was a fourfold disparity between the African and Coloured GER on one hand (14 percent), and the White GER on the other hand (57 percent). This meant that, when the mature adults in enrolment were discounted, only about 10 percent of the youth in South Africa’s majority population groups were entering any form of higher education.

In relation to student success and low throughput, it was reported that the inefficiency in the higher education system functions was indicated in the quantum of subsidy that did not lead to the achievement of a qualification for students. The cohort studies over a number of years indicated that of those students entering to study for a 3 year bachelor’s degree, less than half would have achieved that qualification within six years. One in four contact students (excluding the University of South Africa) failed or dropped out before their second year of study. As a result, 5 percent of the youth in South Africa’s majority population groups was succeeding in any form of higher education. The throughput rate for NSFAS students were very low, and the number of funded graduates in a position to pay back debt owed, had an impact on the replenishment of the amount to be disbursed.

With regard to the cost of tuition versus the full cost of study, the main reason for fee increase was not as a result of tuition fees. However, it was the increase in student support services, accommodation, meals and books. The cost of higher education had risen exponentially, making it unaffordable for many in society. The declining funding over time had placed increasing strain on University finances.

In relation to the consequences of a zero percent fee adjustment in 2017, a further R5 billion would be diverted from other projects and universities would collectively loose a further R800 million in revenue in addition to R1.4 billion lost in 2016. Many universities currently subsidised poor students in addition to the NSFAS funded students, and would not have sufficient fee income to continue. The NSFAS would experience a shortfall of R400 million.

With regard to academic staffing, universities currently had too fewer academic staff and the ratio was 1:55 for permanent staff and 1:18 for combined permanent and temporary staff. The overall staffing population was skewed towards administrative staffing capacity.

The CHE projects and initiatives included the Proposal for Undergraduate Curriculum Reform, Vital Stats Annual, 20 year review of Higher Education, Kagisano 10 Funding, Funding colloquium and a Task Team on regulation of fees.

The CHE’s advice to the Minister on the University fee adjustments structure for 2017 was based on three scenarios. Scenario A: an across the board inflation increase in tuition and registration fees, Scenario B: zero percent fee increase in tuition and registration fees in 2017 and Scenario C: across the board CPI +2 percent increase in tuition and registration fees. Scenario A was a better option to be considered for the 2017 academic year as universities together were in a stronger position than each negotiating individual increases. With regard to the way forward, the CHE proposed for the restructuring of the funding of higher education in order to reach the NDP targets.

**3.3. Higher Education Parents Dialogue (HEParD)**

Mr I Phenyane, Chairperson led the presentation. The student protests were accompanied by violence and destruction of University property. HEParD was concerned with the possible loss of the 2016 academic year, which would have a negative impact on the learners in the schooling system to access higher education in 2017. HEParD acknowledged that the ongoing disruptions in higher education were not the sole responsibility of the DHET to control, and called for all the stakeholders to collaborate and work towards finding solutions to the current challenges in higher education.

The ongoing disruptions in higher education were as a result of the urgent demand for free quality higher education. There was no commitment from government on how free higher education for the poor would be delivered. Students demanded that universities should remove the police and private security personnel on campuses since they felt intimidated. Some universities had resorted to online learning to save the 2016 academic year, and the concern was that this would affect poor students who did not have access to the internet outside the University precincts. Student historic debt needed to be resolved in order to maintain peace and stability in universities.

HEParD urged that there should be a roadmap to deal with police and private security personnel’s involvement at University campuses. The challenge of arrested, suspended and expelled students should be resolved urgently. HEParD further reported that the completion of the 2016 academic year was critical for students, and they demanded that the preliminary report of the Presidential Commission be released in November 2016, and that it should be made public. Students were concerned about the NSFAS loans and bursaries which left student with debt upon completion of their studies.

HEParD played a role of mediation in the ongoing impasse between student leadership and University management at universities. Parents raised concerns about lack of consultations by the universities, and they felt they had a bigger role to play. They were also concerned about the loss of investment they made into their children’s education in case the 2016 academic year was lost. The silence by political parties in the country to work together in finding solutions to the crisis in higher education was a serious concern for the parents. Parents wanted to know the implications of free quality higher education and how it would be effectively implemented.

Parents were concerned about the safety of their children at universities, given the violence that had accompanied the student protests. Parents were also concerned about the government’s response in finding an amicable solution to the ongoing crisis in higher education, and to prevent further disruptions from recurring.

HEParD recommended that the Means Testing system needed to be reviewed because it created divides among students. The ongoing crisis in higher education was not caused by limited access only. However, the graduation and throughput rate especially of black students needed to be considered. The escalation of violence was worsened by the deployment of private security personnel, who were seen by students as disrupting their peaceful protests. There was a need to educate parents about the university life and the ongoing crisis in universities campuses.

Some student movements did not want the 2016 academic year to be completed, while management was committed to save the academic programme. The split among the University stakeholders about the academic year was a challenge. The parents called on the Speaker of the National Assembly to convene a national parents meeting at a stadium to engage with them on the current state of higher education sector and to find sustainable solutions to the crisis.

**3.4 Business Unity South Africa (BUSA)**

The presentation was made by Ms K Kweyama, CEO and highlighted the following: BUSA had been engaging extensively with the relevant stakeholders to intervene in the ongoing crisis in higher education. BUSA noted that members of business were serving at university councils and had in their individual capacity and collectively engaged in various processes to ensure completion of the academic programme. Through the Youth Employment Accord, Business committed to creating 500 000 job opportunities for the youth. In 2013, BUSA made a submission to comment on the Green Paper for Post-School Education and Training and cautioned on the funding implications to implement the Paper. BUSA noted that stakeholders needed to work together to find solutions to the challenges within the higher education sector. BUSA supported government’s vision of growing the TVET sector to be a viable alternative path to skills production.

BUSA supported the NSFAS turn-around strategy and it supported the interventions by its Chairperson. Business was investing in the post-school education and training sector through the skills levies, which amounted to R15 billion, research funds and funding for infrastructure development. Business was concerned about the inefficiencies within the SETAs system. BUSA did not support an increase in the skills development levies since it was not a viable solution. BUSA was an active participant in the skills development sector. The impact of spending in education needed to be reviewed. The employment tax initiative had worked well for business since it created more jobs for the economy. The introduction of the SETA Grant Regulations had impacted negatively impact on the training of employees in business, and BUSA took the Minister to court to revise the regulations.

Business supported the completion of the 2016 academic year and it supported the call for free higher education for the poor. However, the country was not in a position to afford free quality higher education owing to slow economic growth, and the NSFAS loans and bursaries were a viable solution in the interim. BUSA was opposed to the violent protests and destruction to university infrastructure.

**3.5 South African Union of Students (SAUS)**

The presentation was led by Mr A Mjajubana, President and highlighted the following: The ongoing disruptions in higher education should have been prevented by government, since students demanded the provision of free higher education for a long time. The President announced a zero percent fee increment for 2016 and established a Presidential Commission of inquiry into the funding of higher education based on the engagement held with stakeholders at the end of 2015. The Commission was due to report in October 2016. However, the terms of reference of the Commission were amended to extend the period of the Commission and to submit the report in June 2017.

SAUS agreed with the DHET to ensure that poor students were not affected by fee increment. The protests by students was as a result of lack of a clear commitment by government to implement free higher education. SAUS did not want students to be excluded based on financial constraints, and those in the system should be allowed access to their academic records and complete their academic programmes.

The Presidential Commission should develop modalities on how free higher education would be implemented. SAUS was concerned with the time-frame for the finalisation of the report on funding free higher education. Free higher education was not the responsibility of the Department. The private sector should play a meaningful role in contributing to free higher education.

Students were concerned about the arrest of their counterparts and the presence of police and private security personnel at University campuses. SAUS was concerned about the legitimization of unelected structures that were also not provided for in the legislation and the University statutes, and also the accepted memorandums from these structures. The SRCs were the legitimate structures that represented students at universities. SAUS did not condone arson and the criminal acts taking place at institutions.

SAUS noted that universities should not rush to seek for court interdicts when confronted by student protests. However, there was a need for stakeholders to work together in finding an amicable solution to the challenges facing higher education. SAUS supported the completion of the 2016 academic year. However, the continuous victimisation of students at universities worsened the crisis.

SAUS recommended that: the arrested student leaders be released; NSFAS should be converted into a grant from 2017 academic and the missing middle students should be catered for in terms of cascading loans and grants; the removal of police in university campuses should be prioritised as universities were places of learning; the victimisation of students should be stopped; students engaged in the burning of the University infrastructure should face the full might of the law; the Vice-Chancellors in partnership with students should find amicable solutions to on their impasse; the private sector should be able to take care of the student historic debt, especially the missing middle; students from the rich families should pay for their full cost of study and government and the private sector should pronounce on the call for free higher education soon.

**3.6. National Business Initiative (NBI)**

The NBI was of the view that the focus of government and other role-players in the education sector should not be limited to universities, but it should be inclusive of the entire PSET sector. There was a risk that the TVET sector students might also revolt given that the focus was only on universities. The demands of students at colleges were similar to the students in the university sector. The perception of TVET Colleges as inferior to universities remained a challenge. The NBI played a critical role in the development of policies. Business wanted the system to be fixed first before further investment could be made.

There was a need for a strengthened dialogue among all stakeholders to find solutions to the challenges within the higher education sector. There was a need for further engagements with students to clarify the role of business in contributing to higher education. The NBI supported the resumption of the academic programme to save the 2016 academic year.

**3. 7. National Board of Convocations and Alumnis (NBCA)**

The presentation was made by Mr S Zondi, Chairperson and highlighted the following: The NBCA held its first Convocation of Alumnis on 05 September 2016 at the University of KwaZulu-Natal (UKZN). The NBCA was a representative body for all the Convocations and Alumnis of universities. Unlike the SRCs, Convocations and Alumnis were not properly organised and constituted in terms of the higher education legislation. The stakeholders coordinated themselves to discuss the ongoing crisis in higher education. The NBCA formed an Advisory Committee inclusive of senior academics who would advise the NBCA on higher education matters. The composition of the organisation was aimed to be more inclusive in terms of gender and race. However, all the Convocations in higher education were headed by males and equity in terms of gender representation was essential.

The NBCA reported that the best universities around the world had the best Alumnis and Convocations. In the former white institutions, Convocations and Alumnis had considerable powers, especially in the recruitment and appointment of senior managers. In terms of funding and programme, there were gaps between the Convocations and Alumnis from the previously disadvantaged institutions, and the former white institutions. The formation of the NBCA was to coordinate the programmes of all the Convocations and Alumnis.

The NBCA aimed at drafting its constitution so that it could be properly structured to operate like USAf. The long term vision of the NBCA was to have sufficient capacity to produce research, influence decision-making, present credible papers and have capacity to provide leadership and direction in matters of critical discussion. The vision of the organisation was to have a board inclusive of all the critical roles players in the higher education terrain.

The position of the board was that teaching and learning should continue at universities, and the violence and destruction to property should be strongly condemned. The police should exercise maximum restraints when dealing with students. The Convocation and Alumnis resolved to play an active role in mediation, since most of its representatives were former student leaders.

The NBCA’s position on the call for free higher education was that it was not an event, and it could not be implemented immediately. In essence, due consultative process should be followed. The NBCA agreed with the proposal for an increase in corporate tax to assist with the funding shortfall in the higher education sector.

**3.8 University Vice-Chancellors**

The presentation was made by Prof A Habib, Vice-Chancellor of the Wits University and Chairperson of USAf. The presentation highlighted the following: During the week of the 10 – 14 October 2016, 17 of the 26 universities were shutdown, 9 were opened without any disruptions, the other six experienced student protests. The national demand of students was free education now, and it was beyond universities to deliver the demand. Students demanded for the shutdown of the academic year so that universities could show solidarity to their demands.

The student protests at Wits erupted after the announcement by the Minister of Higher Education and Training on the university fee adjustments for 2017. The students demanded for the shutdown of the 2016 academic programme until their demands were met. The University undertook a poll, inclusive of the university staff and students. The overwhelming majority of the University population wanted the resumption of the 2016 academic programme.

The University General Assembly called by the students did not assist in resolving the impasse between management and students at Wits. However, management resolved that the academic programme should resume. The academic programme resumed although there had been continuous disruptions and attempted arson on a daily basis. Management reported that the withdrawal of police would not be in the best interest of the university, although they were concerned about the shooting of students. The operational command of the police was vested in the Police Generals, and management did not have control on how police used their authority.

There was a proposal for a multi-stakeholders forum in December 2016 and January 2017, to map the way forward for higher education to prevent student protests from recurring. The possible loss of the 2016 academic year could have ripple effects on the economy and the society at large. The future of this country lied in the decision to be taken by the relevant stakeholders in higher education urgently. The government should have acted promptly in responding to the student demands to avoid the current crisis in higher education. The continuous protests were eroding donor confidence on the South African university sector, and this would impact negatively on the third stream funding.

**4. Observations**

The Committees, having interacted with the various stakeholders, made the following key observations:

* The decline in the universities subsidies per student remained a serious challenge for the entire higher education sector;
* It was concerning that the statement issued by the Minister on the University fee framework for the 2017 academic year seemed not be understood by the student population;
* The fees must fall student protests had been hijacked by external forces who wanted to destabilise the country and halt the academic programme;
* Stability in the University sector was critical to sustain the academic programme and produce a capable and skilled workforce to support inclusive growth path;
* It was noted that small groups of students were disrupting the academic programme, while the majority of the students wanted to resume with their academic programme;
* It was critical to ensure that young people were not denied access to higher education on the basis of financial need;
* The role of the police during the student protests has not been effective to maintain law and order;
* The burning of the University infrastructure was disconcerting and students should engage with the University management in a peaceful manner. The ongoing violence and destruction to University was not a viable means to achieve the objective of free higher education;
* The high drop-out rate and poor throughput of students in higher education remained a serious concern;
* Inadequate funding for the higher education sector negatively impacted on the ability of the sector to enroll more students from the poor family backgrounds. The higher education sector would not be able to achieve the NDP targets owing to the slow economic growth;
* It was concerning that the higher education price index (HEPI) was above the consumer price index (CPI) given the insufficient funding for higher education at present;
* The ongoing disruptions in higher education were not conducive to teaching and learning and would also impact negatively on the delivery of quality higher education;
* Inadequate student support programmes and interventions offered by some universities did not enable students to succeed and complete their qualifications in regulated time;
* The growth of the higher education system over the years had not been matched by requisite funding to adequately support the expansion of the system;
* Free quality higher education needed sufficient funding to be fully implemented and the economic situation in the country was not viable at present;
* Students needed to be properly informed about how government plans to respond to their demands for free higher education, and the violence, damage to University property and looting should be prevented;
* The involvement of the police and the private security personnel in university campuses needed to reviewed;
* The call for free higher education was legitimate. However, the economic realities of the country should be considered since free higher education needed sufficient funding;
* The deligitimisation of the SRCs was serious challenge and that needed to be resolved; and
* Some of the demands made by students were beyond the reach of university management.

**5. Summary**

The joint oversight visit of the Committees was at aimed interacting with the various key role players in the higher education on the ongoing disruptions in universities and how to save the 2016 academic year. The stakeholders were united in condemning the violence and destruction of the University property, and they collectively called for the resumption of the teaching and learning to prevent the possible ripple effects that may be caused by the loss of the 2016 academic year. The stakeholders supported the call for free quality higher education for the poor. However, they agreed that this could not be implemented immediately given the insufficient funding in higher education and the regressing economy.

The oversight visit also offered the Committees with an opportunity to assess the Annual Report 2015/16 of the Quality Council for Trades and Occupations and the National Student Financial Aid Scheme (NSFAS). These entities were commended for their improved performance for the 2015/16 financial year. However, the recurring findings raised by the Auditor-General South Africa towards the NSFAS were noted with concern. It was also commendable that there were no eligible NSFAS students that were turned away by universities in 2016.

The Committees undertook to further engage with the relevant stakeholders in higher education towards finding a lasting solution to the ongoing crisis in higher education. The Committees also agreed to report back to Parliament on all the key critical issues raised by the stakeholders so that the Executive could respond.

**6. Recommendations**

The Portfolio on Higher Education and Training and the Select Committee on Education and Recreation having conducted an oversight visit to Gauteng, recommends that the Minister of Higher Education and Training consider the following:

**6.1. Saving the 2016 academic programme**

* The resumption of teaching and learning in universities should be prioritised to prevent the possible loss of the 2016 academic year and the ripple effects it would have on the economy and society in general.

**6.2. Safety and security at universities**

* The police should exercise maximum restraint and operate within the parameters of the law when dealing with student protests;
* A meeting with the security cluster should be convened to address the operations of the public order policing at universities;
* The South African Police Service should provide training to police on demobilizing protesters without firing rubber bullets;

**6.3. Continuation of dialogue**

* There should a mediation process to rebuild the broken trust between the University management and student leadership;
* Universities should consult with parents on the crisis in the sector;
* Communications between the University management and students leadership should be opened in order to engage on student grievances, and there should be timeous response by management;
* Students body should give room to the democratically elected structures to engage with management and report back to them;
* University management should not legitimise structures that were not democratically elected;
* Further violence and destruction to University properties should be prevented;
* University management and the relevant stakeholders should work collectively on finding long and lasting solutions on institutional matters to avert protracted protests; and
* Members of Parliament and politicians who publicly call for the shutdown of universities should be held accountable for their statements.

Report to be considered.