**Memorandum from the Parliamentary Office**

**NATIONAL ASSEMBLY**

**FOR WRITTEN REPLY**

**QUESTION 2870**

**DATE OF PUBLICATION OF INTERNAL QUESTION PAPER: 15/09/2017**

**(INTERNAL QUESTION PAPER 33 OF 2017)**

**Mr M R Bara (DA) to ask the Minister of Higher Education and Training:**

With reference to her reply to question 2463 on 5 September 2017 regarding the amount of debt owed to the National Student Financial Aid Scheme (NSFAS) by graduates,
(a) what is the total number of graduates whose debt adds up to R6.148 billion, (b) what proportion of the debt owed by graduates has been repayable for (i) less than three years and (ii) more than three years, (c) what amount of debt owed by the graduates has been (i) prescribed and (ii) written off and (d) whether each amount has been included in the total amount owed to NSFAS by graduates?

 **NW3177E**

**REPLY:**

The National Student Financial Aid Scheme (NSFAS) has reported the following information:

(a)The total number of graduates is 166 724.

(b) Due to the way the NSFAS debt is structured, NSFAS does not have a complete and accurate record of when NSFAS debt becomes due and payable. NSFAS debt becomes due and payable when a debtor is employed and earning above R30 000 per month. Debtors are required and expected to contact NSFAS when this condition has been met. NSFAS therefore establishes when a debt becomes due and payable by using available South African Revenue Service records but this information is an approximation. The information below should therefore be interpreted in this light.

|  |  |  |  |
| --- | --- | --- | --- |
| **Less than 3 years** | **More than 3 years** | **Not due and payable** | **Grand Total** |
| **50 255** | **104 244** | **12 225** | **166 724** |
| 30% | 63% | 7% |  |

(c) NSFAS only writes off debtors when they are deceased or disabled. For the reasons stated above, NSFAS is not able to determine when debt is prescribed. Prescription of debt is therefore determined on a case-by-case basis.

(d) NSFAS recognises all amounts advanced to students, including graduates, as debtors. A provision is raised in terms of Generally Recognised Accounting Practice standards for the amount that may not be recovered.

**COMPILER DETAILS**

NAME AND SURNAME:

CONTACT:

**RECOMMENDATION**

It is recommended that the Minister signs Parliamentary Question 2870.

MR GF QONDE

DIRECTOR–GENERAL: HIGHER EDUCATION AND TRAINING

DATE:

PARLIAMENTARY QUESTION 2870 IS APPROVED / NOT APPROVED / AMENDED.

COMMENTS

PROF HB MKHIZE, MP

MINISTER OF HIGHER EDUCATION AND TRAINING

DATE: