



19 September 2016

To all members of the DUT Community

Dear students, staff and Alumni

Earlier this morning, the Minister of Higher Education and Training, Dr Blade Nzimande issued a statement regarding tuition fees in 2017.

The Minister highlighted that government is well aware of the challenges facing poor students and it takes these challenges very seriously. He also explained that the work of the Presidential Fees Commission is currently looking into university fees and he stressed that the Commission must be allowed to complete its important task. Dr Nzimande also announced that South African universities are facing a very difficult financial situation. He also described the challenges that university's face following the moratorium on fees that was announced last year. He does not want a continued moratorium to erode the financial sustainability of the higher education sector.

The Minister wants to preserve the national fiscal space to support government's overall funding for national projects. Dr Nzimande said that he understood the legitimate student concerns regarding the affordability of university education. He added that we must understand that those students who can pay fees, must pay fees.

The DHET budget received an additional 18% from the National Treasury and government has increased the investment in higher education from R42 billion in 2015, to R55.3 billion in 2018/19. Government had provided R1.9 billion of the R2.3 billion shortfall in 2016. More than R4.5 billion has since been reprioritised to provide extra support for NSFAS. A total of 405 000 students received government support to access higher

education in 2016. The National Skills Fund has allocated R1.39 billion to fund undergraduate and post-graduate studies. 13500 undergraduate students and 1200 post-graduate students are benefitting from the National Skills Fund. The Minister confirmed that this was in addition to the NSFAS funding.

Dr Nzimande stated that he had consulted widely on the matter of next year's fee adjustments; with student organisations, university vice-chancellors and university councils, organised labour organisations, various faith communities, political organisations as well as with government. He also thanked the Council on Higher Education for their advice and recommendations.

The Minister confirmed that whilst the fee issue was a complex situation, he stressed that the authority to set University fees rested with the university councils, and not with the Minister of Higher Education and Training.

Dr Nzimande added that university staff must be adequately remunerated for their work. Universities and colleges cannot operate with less funds than what they already have. There have been cost increases year-on-year, which the Minister said was the reality of inflation. He also announced that government looked at all the challenges and that the best approach would be to allow the University's to make their own choices regarding the 2017 fees.

Dr Nzimande advised that this process of determining fees for 2017 must be transparent, fair and reasonable. He also confirmed that the increases must not be above 8%.

The Minister advised that the increases must be affordable to financially needy students. He said that the South African government will support children of poor families – those households earning up to R600 000 per annum - with subsidy funding to cover the gap. He confirmed that this will be done for fee increments up to 8%.

Dr Nzimande also said that all NSFAS qualifying students - and the "missing middle" students - will effectively experience a no fee increase in 2017 and that government will foot the bill. The Minister announced that government will pay for the fee adjustment for

next year. The Minister said that this will bring huge relief to many south African families in the missing middle. This will apply to students at universities and TVET Colleges and it will benefit approximately 70% of all under-graduate students in South Africa next year. The Minister added that students will be informed about how to apply for the proposed gap funding grant before the end of this year.

The Minister stressed that he expects those students who can afford to pay fees, must continue to do so.

In response to media questions after he announced his statement, the Minister stressed that contrary to popular belief that there was no no fee increase in 2016, fees did increase by 6% this year. This increase was covered by government and alternate sources this year.

The Minister also confirmed that while he respects the rights of students to protest peacefully, students must note that this interim measure announced this morning will cover a wider group of students, so more students will benefit. He mentioned that he was well aware that there were people who wanted to use student issues for their own narrow political agendas. He urged students to be aware of this.

The Minister also said that there was consensus amongst those groups that he had consulted with – which is why he was confident that this announcement will be acceptable to students and to university councils.

With this in mind, our DUT Council will meet and make the decision regarding the 2017 fees, as per the Minister's announcement this morning.

Once a final decision has been reached by the DUT Council, it will then be communicated to you in writing.

Sincerely

Mr Wiseman Madinane  
Chairperson, DUT Council