

# **Transformation and Restructuring: A New Institutional Landscape for Higher Education**

## **Ministry of Education**

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### **Foreword**

The origins of the current institutional structure of the higher education system can be traced to the geo-political imagination of apartheid's master planner, Hendrik Verwoerd, and his reactionary ideological vision of "separate but equal development". This was given effect through the enactment in 1959 of the Universities Extension Act, which far from extending access to higher education on the basis of the universal values intrinsic to higher education restricted access on race and ethnic lines. Its main purpose was two-fold. First to ensure that the historically white institutions served the educational, ideological, political, cultural, social and economic needs of white South Africa. Second, to establish institutions that would produce a pliant and subservient class of educated black people to service the fictional homelands of apartheid's imagination. In this aim it failed miserably. The institutions became hotbeds of student resistance, which ultimately contributed to apartheid's demise.

However, the apartheid legacy continues to burden the higher education system, which not only remains fragmented on race lines, but has been unable to rise fully to meet the challenges of reconstruction and development. The new institutional landscape proposed in this report, which has been approved by Cabinet, provides the foundation for establishing a higher education system that is consistent with the vision, values and principles of non-racial, non-sexist and democratic society and which is responsive and contributes to the human resource and knowledge needs of South Africa.

The new institutional landscape proposed is the culmination of a wide-ranging consultative process on the restructuring of the higher education system that began in the early 1990s. This process has produced a rich variety of policy documents and frameworks based on the collective wisdom of all the constituencies involved or interested in higher education. While we may continue to differ on the precise modalities of restructuring, I would like to appeal to all higher education institutions and constituencies to set aside what appear at times to be no more than short-term institutional interests in favour of the common good.

I am confident that the institutional restructuring proposals offer enormous opportunities and potential for contributing to the achievement of our national goals and priorities. I trust that I can count on your support to contribute to the creation of a higher education system that we can all be proud of.

Prof Kader Asmal, MP

Minister of Education

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## **1. Introduction**

The imperative for the transformation and restructuring of the higher education system is informed by the need to realise three fundamental objectives which are necessary to achieve the vision of a transformed, non-racial, non-sexist and democratic higher education system, as outlined in Education White Paper 3: A Framework for the Transformation of Higher Education (July 1997).

First, to meet the demands of social justice, that is, to address the social and structural inequalities that characterise the higher education, which is a legacy of apartheid, a legacy that has resulted in a fragmented and distorted higher education system in which some institutions are better resourced than others and in which race and ethnicity continue to define and act as a stumbling block to access into many of our higher education institutions.

Second, to address the challenges associated with the phenomenon of globalisation, in particular, the central role of knowledge and information processing in driving social and economic development. The higher education system must be transformed to enable it to produce graduates with the skills and competencies

required for participation as citizens in a democratic society and as workers and professionals in the economy, as well as to contribute to the research and knowledge needs of South Africa. It must contribute to the development of a critical mass of intellectuals, especially black intellectuals, and researchers and provide for the training of multi-skilled professionals, in particular, in science and technology. The role of higher education in contributing to developing our skills base is a central element in the Government's Human Resource Development Strategy, which as the President stated at the opening of Parliament "is the surest guarantee to sustainable employment and economic growth". It is also critical to the success of the New Economic Partnership for African Development.

Third, to ensure that limited resources are effectively and efficiently utilised, especially given the competing and equally pressing priorities in other social sectors. The resources allocated to the higher education system have not been put to best use and there is considerable wastage. The higher education system as a whole is both inefficient and ineffective as indicated by high-drop-out rates, poor throughput and graduation rates, low research outputs and the under-utilisation of human and physical resources.

The National Plan for Higher Education, which was released in March 2001, provides the implementation framework for achieving the White Paper's vision of a single national co-ordinated higher education system that is affordable, sustainable and which is responsive and contributes to the human resource and

research needs of the country. The National Plan identified five policy goals and strategic objectives, which are critical for the transformation and reconstruction of the higher education system. These are:

- (i) To increase access and to produce graduates with the skills and competencies necessary to meet the human resource needs of the country.
- (ii) To promote equity of access and outcomes and to redress past inequalities through ensuring that student and staff profiles reflect the demographic composition of South African society.
- (iii) To ensure diversity in the institutional landscape of the higher education system through mission and programme differentiation to meet national and regional skills and knowledge needs.
- (iv) To build high-level research capacity, including sustaining current research strength, as well as to promote research linked to national development needs.
- (v) To build new institutional identities and organisational forms through restructuring the institutional landscape of the higher education system, thus transcending the fragmentation, inequalities and inefficiencies of the apartheid past and to enable the establishment of South African institutions consistent with the vision and values of a non-racial, non-sexist and democratic society.

The National Plan prioritised two inter-related goals, namely, the promotion of institutional diversity and the restructuring of the institutional landscape, to address the structural inefficiencies and systemic problems

that are inherent in the system and to lay the foundations for the transformation and restructuring of the higher education system. The Ministry initiated two processes to implement these goals:

- As a first step in ensuring institutional diversity, all higher education institutions were required to submit, at the end of July 2001, their proposed programme and qualification profiles for the next five years, i.e. 2002/2006. The profiles were analysed by the Ministry and were discussed with each institution by Departmental officials between October and November last year. The approved programme and qualification mix for each institution for the next five years, which would determine institutional funding, is in the process of being finalised and will be released separately.
- A National Working Group (NWG) was appointed in March 2001 to advise on the restructuring of the institutional landscape of the higher education system.

This document represents the Ministry's response to the report of the NWG, which was released in February 2002 (and which is included in Appendix 4). Its purpose is three-fold; first, to provide an overall assessment of the NWG report, in particular, whether it has satisfactorily discharged its Terms of Reference; second, to indicate the Ministry's proposals for the restructuring of the institutional landscape of the higher education system; third, to outline an implementation process to give effect to the restructuring proposals.

## **2. National Working Group Report: Overall Assessment**

The National Working Group (NWG) was asked to "investigate and advise the Minister on appropriate arrangements for consolidating the provision of higher education on a regional basis through establishing new institutional and organisational forms, including the feasibility of reducing the number of higher education institutions" (NWG: 56). This followed on advice from the Council on Higher Education (CHE) in its report: *Towards a New Higher Education Landscape: Meeting the Equity, Quality and Social Development Imperatives of South Africa in the 21<sup>st</sup> Century* (June 2000), which advised that the sustainability of the higher education system, including the effective and efficient use of resources required a reduction in the "present number of institutions through combining institutions" (CHE: 56-57), as the:

"current landscape and institutional configuration of higher education has its roots in an apartheid past, is inadequate to meet socio-economic needs and is no longer sustainable. South Africa does not have the human and financial resources to maintain the present institutional configuration. Senior and middle-level leadership, management and administrative capacities are absent or lacking in parts of the system. New patterns in student enrolments means that a number of institutions are at risk. Some institutions also do not satisfy the specification.....to continue as independent institutions" (CHE: 51).

The CHE's advice was confirmed in the National Plan, which indicated, on the basis of a preliminary analysis of current enrolment patterns and trends, including the three-year "rolling" plans submitted by institutions, that the "number of public higher education institutions in South Africa could and should be reduced" (NPHE: 86-87).

## 2.1 National Working Group: Framework

The Ministry is of the view that the NWG has successfully discharged its mandate

as outlined in its Terms of Reference. It has undertaken its investigation and framed its proposals for consolidating the number of institutions on the basis of a "region-specific analysis of the context, current state and the future possibilities for the development of higher education" (NWG: 19) on the basis of the "fitness of purpose" of the higher education system in general and individual institutions in particular, to meet the requirements of equity, sustainability and productivity. As the NWG states in its report:

"A restructured higher education system should be socially just and equitable in its distribution of resources and opportunities, it should meet the requirements of long-term sustainability and it should enhance the productivity of the system through effectively and efficiently meeting the teaching, skills development and research needs of the country" (NWG: 12).

It is important to emphasise the focus on "future possibilities", which suggests that the NWG's main consideration was the role and capacity of the higher education system in the long-term to meet the human resource and knowledge needs of the country, rather than specific and immediate problems, including the sustainability, of a number of higher education institutions.

It is also important to clarify, at the outset, two concerns raised by the higher education sector in response to the NWG report. First, that the NWG has focused too narrowly on mergers rather than considering the full spectrum of potential institutional arrangements, in particular, programme collaboration and rationalisation. In this regard, it should be pointed out that the NWG was asked to advise on "how the number of institutions can be reduced and not on whether the number of institutions can or should be reduced" (NWG: 56). While this does not preclude, and indeed the NWG did consider (as discussed in section 7), programme collaboration and rationalisation, it is not an alternative to merger, as implied by some responses, given the NWG's Terms of Reference.

Second, that the NWG's consultative process was inadequate. The Ministry would like to state emphatically that it considers the consultative process undertaken by the NWG, as outlined in the report (NWG: 15), as complying with the spirit and formal requirements of its Terms of Reference. It must be emphasised that meaningful consultation did not require the NWG to negotiate its proposals with the affected institutions, as some responses to the NWG report seem to imply. This was not within the mandate of the NWG.

The Ministry endorses the overall approach and the region-specific analysis of the NWG in developing its proposals, which involved the consideration of a broad range of factors, including:

- Developing a set of performance indicators and linked benchmarks to assess the current state and shortcomings of the higher education system in general and individual institutions in particular, in relation to equity, productivity and sustainability.
- Analysing regional and institutional enrolment patterns and trends and the implications of this for institutional sustainability.
- Assessing the programme and qualification mix of individual institutions and the fit between the programme and qualification mix of institutions proposed for merger.

This approach has enabled the NWG to frame its proposals on a case-by-case basis through assessing the strengths and weaknesses of existing institutions and linking the benefits to be gained from the proposed mergers to the social and economic context and needs of the different regions, thus avoiding a “one size fits all” approach. This has ensured the integrity of the NWG’s proposals, as they are not based on applying a predetermined set of criteria, irrespective of the historical, institutional, social and economic context. The added advantage of this approach is that it has enabled the NWG, although not always explicitly, to indicate the particular goals – social and educational, access and equity, quality and efficiency, sustainability and viability, identity and culture, that the proposed mergers are likely to promote.

The NWG’s approach is consistent with the National Plan, which argues that:

“there is no single factor that underpins the case for mergers or for new institutional and organization forms. Instead, there are a range of factors linked to the specific context of different groups of institutions. For example, the rationale for merging a historically white and a historically black institution may well differ from that of merging two small institutions. In the one case, the purpose may be that of overcoming the racial fragmentation of the higher education system. In the other, it may be that of achieving economies of scale and/or scope. In yet other cases, the rationale may be that of streamlining governance and management structures and improving administrative systems. Or it may be a combination of all of these factors” (NPHE: 88).

### **2.1.1 Methodology**

The Ministry has noted the criticisms leveled against the NWG report in relation to the accuracy of the institutional data used, as well as the utility and limitations of the performance indicators and benchmarks. The Ministry does not agree with these criticisms.

In the case of institutional data, the Ministry would like to make it clear that the data used were provided by higher education institutions themselves, as part of the annual data submission process to the Ministry. In addition, the data used were sent for verification to all institutions. The institutions must therefore take

responsibility for any inaccuracies in the data. In this regard, the Ministry would like to highlight the fact that the timely and accurate submission of data is an ongoing problem. For example, only 4 out of the 36 institutions submitted student data for the 2001 academic year to the Ministry by the due date of 31 October 2001. At the beginning of 2002, the total number of institutional submissions received was 15 and in mid-June 2002, 7 institutional submissions were still outstanding. This suggests that most institutions do not take data collection and submission, which is a statutory requirement, seriously. This is unacceptable. The Ministry wishes, therefore, to indicate that it is in the process of developing a protocol for the submission of institutional data, including the use of sanctions, should complete and accurate data not be submitted in a timely manner.

As far as the performance indicators and benchmarks are concerned, while there seems to be general agreement that they are necessary for analytical and monitoring purposes, the specific indicators used by the NWG have been criticised on the grounds that (i) they are too narrowly constructed and that a broader range of indicators would have provided a more balanced assessment of institutional performance; (ii) the benchmarks are arbitrary with no attempt made to relate them to previous levels of performance of South African higher education institutions or international performance levels; (iii) the indicators are distorted as they are based on 1999/2000 data only; (iv) the indicators are inappropriate to measure the performance of the historically black institutions given historical inequities, as well as the fact that technikons were precluded from undertaking research.

The Ministry endorses the need for performance indicators and benchmarks for analytical and monitoring purposes. The NWG report represents the first systematic attempt to develop indicators and benchmarks for analytical purposes and it is unrealistic to expect that it could have developed a more comprehensive set of indicators and benchmarks. Furthermore, as the NWG indicates, the indicators and benchmarks were specifically developed to assess quantitatively the "fitness for purpose" of the higher education system in terms of equity, sustainability and productivity. The NWG acknowledges the limitations of the indicators and benchmarks in that they preclude an assessment of issues such as "leadership, management, governance and academic standards, which can only be assessed through qualitative judgements and peer review" (NWG: 12). They were, however, developed taking into account the past performance of South African institutions and were adjusted "to take into account the historical differences between universities and technikons" (NWG: 12).

The Ministry agrees with the NWG that despite the limitations, the indicators and benchmarks provide a useful framework for identifying "some of the strengths and weaknesses of the higher education system in general and individual institutions in particular" (NWG: 13). More importantly, they provide the basis for identifying and developing strategies to address the existing weaknesses and shortcomings of the higher education system. The NWG has considered the existing strengths and weakness of institutions and the likely implications of these for the proposed mergers, in particular, whether mergers would add value and provide a basis for rectifying the shortcomings. The NWG has not, as some responses to its report suggest, narrowly relied on the indicators and benchmarks to underpin its merger proposals.

## **2.2 National Working Group Proposals**

The NWG proposes (see Appendix 4) consolidating the number of higher education institutions from 36 to 21. This includes the proposed mergers previously identified in the National Plan, namely:

- The establishment of a single distance education institution through merging the University of South Africa (UNISA), Technikon South Africa (TSA) and the distance education campus of Vista University (VUDEC).
- The merger of ML Sultan Technikon and Technikon Natal, which came into effect on 1 April 2002 with the establishment of the Durban Institute of Technology.
- The incorporation of the Qwa-Qwa campus of the University of the North into the University of the Free State.

The Ministry has considered the NWG's proposals and agrees with all the proposals, except the following:

- The proposed merger of Peninsula Technikon and the University of the Western Cape.
- The proposed merger of the University of Fort Hare, Rhodes University and the Medical School of the University of the Transkei.
- The proposal to leave the Rand Afrikaans University as a separate institution.
- The proposal to leave Technikon Witwatersrand as a separate institution.
- The proposals relating to incorporation of the East Rand and Soweto campuses of Vista University.
- The proposal that the infrastructure of Technikon North-West should not be retained.

### **3. Ministry of Education's Proposals**

The Ministry's proposals are outlined below. The NWG proposals that the Ministry has accepted are based on the explanation and rationale advanced by the NWG in its report, which is included in Appendix 4. The Ministry does not therefore intend to repeat the reasons here. The reasons for the proposals that depart from the NWG (which are highlight by an asterisk \*) are outlined in 3.2 below.

### **3.1 Eastern Cape**

- Port Elizabeth Technikon and the University of Port Elizabeth should be merged with the Port Elizabeth campus of Vista University incorporated into the merged institution. It should be a comprehensive institution offering both university and technikon-type programmes.
- Border Technikon and Eastern Cape Technikon should be merged, with two primary sites in East London and Umtata. The continued operation of the Butterworth campus of the Eastern Cape Technikon, should be determined by the merged technikon in consultation with the Ministry.
- The University of Fort Hare should be retained as a separate institution, incorporating the East London campus of Rhodes University and the Health Sciences Faculty of the University of the Transkei. It should focus on expanding access in the East London area, which is in line with the designation of East London as an industrial development zone by the Provincial Government. \*
- Rhodes University should be retained as a separate institution in Grahamstown. \*
- The infrastructure of the University of Transkei should form the core of the academic activities in Umtata of the technikon established through the merger of Border Technikon and Eastern Cape Technikon. It should also be used as a learning centre for the new dedicated distance education institution. This will ensure that there is vibrant and sustainable provision of higher education in

Umtata with the focus on addressing the needs of the region, in particular, in

teacher education, agriculture, rural development and tourism. The remaining academic programmes of the University of Transkei should be discontinued with the necessary provision made to enable existing students to complete their studies.

### **3.2 Free State**

- Technikon Free State should be retained as a separate institution, incorporating the Welkom campus of Vista University.
- The University of the Free State should be retained as a separate institution, incorporating the Bloemfontein campus of Vista University.

### **3.3 Gauteng**

- The Rand Afrikaans University and Technikon Witwatersrand should be merged to form a comprehensive institution, incorporating the East Rand and Soweto campuses of Vista University. \*
- The University of the Witwatersrand should be retained as a separate institution.
- The University of Pretoria should be retained as a separate institution, incorporating the Mamelodi campus of Vista University.
- The three technikons in the Tshwane metropole, namely, Technikon Northern Gauteng, Technikon North-West and Technikon Pretoria should be merged. \*
- The students and staff of the Sebokeng campus of Vista University should be incorporated into the Vaal Triangle campus of the merged Potchefstroom University for CHE and the University of the North-West.
- Vaal Triangle Technikon should be retained as a separate institution. The infrastructure and facilities of the Sebokeng campus of Vista University should be transferred to the Vaal Triangle Technikon. The transfer should be by agreement after the establishment of the new institution proposed through the merger Potchefstroom University for CHE, the University of the North-West and the Sebokeng Campus of Vista University (i.e. the staff and students).

### **3.4 KwaZulu-Natal**

- ML Sultan Technikon and Technikon Natal have merged to form the Durban Institute of Technology, with effect from 1 April 2002.
- Mangosuthu Technikon should be merged with the new Durban Institute of Technology.
- The infrastructure and facilities of Umlazi campus of the University of Zululand, but not the staff and students, should be transferred to the technikon proposed to be established through the merger of Mangosuthu Technikon and the Durban Institute of Technology. Appropriate arrangements should be made for the existing university students to complete their programmes of study.
- The University of Durban-Westville and the University of Natal (including the Pietermaritzburg campus) should be merged.

- The University of Zululand should refocus its mission and become a comprehensive institution offering technikon-type programmes, as well as a limited number of relevant university-type programmes, with its future growth linked to the Richards Bay region.

### **3.5 Limpopo**

- The University of the North, University of Venda and Medical University of South Africa should be merged. The merged institution should extend the range of offerings available in the province by developing and introducing technikon-type vocational programmes and qualifications, in keeping with the needs profile of the region.
- The Ministry of Education should, in consultation with the new institution, assess, investigate and make decisions on the relocation (over the medium to long-term) of Medunsa's programmes and infrastructure to the Northern Province.

### **3.6 North-West**

- The Potchefstroom University for CHE and the University of the North-West should be merged.
- The Vaal Triangle campus of Potchefstroom University should be retained as part of the merged institution, incorporating the students and staff (but not the facilities) of the Sebokeng campus of Vista University.

### **3.7 Western Cape**

- The University of Cape Town should be retained as a separate institution.
- The University of Stellenbosch should be retained as a separate institution.
- The University of the Western Cape should be retained as a separate institution, incorporating the Dental School of the University of Stellenbosch. \*
- Cape Technikon and Peninsula Technikon should be merged. \*

## 3.8 Rationale for Alternative Proposals

### 3.8.1 Eastern Cape

#### **University of Fort Hare**

The Ministry agrees with the NWG that the heritage of University of Fort Hare must be preserved, developed and strengthened given its role and history in the development of black intellectuals and social and political leaders both in South Africa and the continent more generally. The Ministry has also noted the concerns raised by the NWG regarding the sustainability of the University of Fort Hare in its current form.

The Ministry does not, however, believe that heritage of the University of Fort Hare can be preserved if it were to be merged with Rhodes University as proposed by the NWG. The Ministry is of the view that the heritage of the University of Fort Hare would be best advanced if it remains a separate institution, incorporating the East London branch of Rhodes University and the Health Sciences Faculty of the University of Transkei.

The development and expansion of the University of Fort Hare in East London would facilitate access to higher education of the large and growing population centred around East London and ensure the sustainability of Fort Hare. In this regard, it should be noted that in 2000 some 60% of the students enrolled at Fort Hare were from the greater East London area. Furthermore, it would contribute to regional human resource and development needs given the focus of Fort Hare's academic and research programmes, which include agriculture, applied life sciences, public management, and teacher training. The incorporation of the Health Sciences Faculty of the University of Transkei would strengthen Fort Hare's science programmes and contribute to the development of a more balanced programme profile. It would also provide the Health Sciences Faculty with a sustainable academic and financial base, including expanding health training in the East London area.

The University of Fort Hare as a separate institution, incorporating the East London campus of Rhodes University and the Health Sciences Faculty of the University of Transkei, would have the following characteristics:

- A head count total of about 5 800 students. Of these 1 300 (or 22%) would be enrolled in science and technology majors; 900 (or 16%) in business and management majors; 1 900 (or 33%) in education majors; and 1 700 (or 29%) in other humanities majors.
- An annual graduate total of about 1 000.

- A full-time equivalent academic staff total of about 350.

### 3.8.2 Gauteng

#### Rand Afrikaans University and Technikon Witwatersrand

The Ministry accepts the view of the NWG that it is essential to ensure that there is large-scale provision of vocational and technological programmes to meet the needs of industry in the central Gauteng region. However, it does not believe that this requires the continued existence of a separate technikon, as proposed by the NWG. The Ministry is of the view that a comprehensive institution, established through the merger of Rand Afrikaans University and Technikon Witwatersrand, that offers both technikon and university programmes would contribute to enhancing the effectiveness and the efficiency of higher education in the central Gauteng region.

The Ministry believes that despite the present differences in mission and programme profile, the proposed merger would result in the establishment of a strong, high quality comprehensive institution, which would contribute to meeting the human resource needs of the region. The existing programme strengths of the two institutions are complementary – the Rand Afrikaans University is strong in the humanities and Technikon Witwatersrand in science, engineering and technology, while both are strong in business and management. This would result in a well-balanced programme profile in line with the requirements of the National Plan. It would also promote student equity given the different student profiles of the two institutions – the Rand Afrikaans University is 70% white, while Technikon Witwatersrand is 80% black.

In addition, it would facilitate staff development as the Rand Afrikaans University staff, who are better qualified, could contribute to the training role of the technikon staff, especially in building research capacity. In terms of formal qualifications, 54% of the university's permanent academic staff in 2000 had doctorates and 28% masters degrees. The comparable proportions for Technikon Witwatersrand were 4% of permanent academic staff with doctorates and 20% with masters degrees.

The Ministry also proposes to incorporate the East Rand and Soweto campuses of Vista University into the merged institution. This is based on the view that the needs of the East Rand and Soweto communities would be best served by providing more extensive vocational and technological programmes.

The new institution proposed would have the following characteristics:

- 28 000 contact students would be enrolled on it various campuses, and a further 6000 distance students would be enrolled for off-campus programmes, making the institutional head count total 34 000;

- 15 000 (or 44%) of these students would be following three-year undergraduate diplomas, 13 000 (38%) undergraduate bachelors degree, 3 500 (10%) postgraduate diplomas, postgraduate bachelors degrees and honours degrees, and 2 500 (8%) masters and doctoral degrees;
- 30% of the full-time equivalent enrolment in the institution would be enrolled in science, engineering and technology programmes; 30% in business and management programmes; 15% in education programmes; and 25% in other humanities programmes.
- 8 000 graduates would be produced each year: 3 300 (47%) with undergraduate diplomas, 2 400 (35%) with undergraduate bachelors degrees, and 2 300 (18%) with postgraduate qualifications;
- 67% of contact (or on-campus students) would be black;
- 50% of contact students would be female and 50% male.
- 900 permanent full-time academic staff, 35% of who would have doctorates and 40% would have masters degrees.

### **Technikon North-West**

The Ministry has not accepted the NWG's recommendation that the infrastructure of Technikon North-West should not be transferred to the technikon proposed to be established through the merger of Pretoria Technikon, Technikon Northern Gauteng and Technikon North-West. The Ministry is of the view that the Council of the proposed technikon should decide whether or not to continue to utilise the campus and infrastructure of Technikon North-West.

### **3.8.3 Western Cape**

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#### **University of the Western Cape**

The Ministry has noted the concerns of the NWG regarding the sustainability of University of the Western Cape. However, the Ministry is of the view that it is important to preserve, develop and strengthen the University of the Western Cape given its role in providing access to higher education to poor and disadvantaged students, including its recent and developing emphasis on enhancing access for adult learners

through recognition of prior learning. In this regard, it is not in competition with the other two universities in the Western Cape.

The Ministry does, however, recognise that the sustainability of the University of the Western Cape will in the long run depend on the extent to which it is able to rationalise its academic programme offerings, particularly in relation to high cost programmes already being offered by the other two universities. It would also have to ensure a more balanced range of enrolments across programme areas than is currently the case. In this regard, the Ministry proposes that the Dental Schools of the Universities of Western Cape and Stellenbosch should be merged into a single school, to be located at the University of the Western Cape. Furthermore, the University of Cape Town and the University of Stellenbosch should discontinue undergraduate nursing programmes, which should be offered by the University of the Western Cape and the technikon proposed to be established through the merger of Cape Technikon and Peninsula Technikon.

The Ministry believes that the University of the Western Cape could within a few years have the following shape and size, which would make it a sustainable institution:

- 12 000 head count students. Of these, 1 000 (or 8%) would be enrolled for undergraduate diplomas; 8 200 (or 68%) for undergraduate bachelors degrees; 1 400 (or 12%) for postgraduate qualifications below masters level; and 1 400 (or 12%) for masters and doctoral degrees.
- 9 600 full-time equivalent students. Of these 30% would be enrolled in science, engineering and technology programmes; 20% in business and management programmes; 10% in education programmes; and 40% in other humanities programmes.
- 500 full-time equivalent academic staff members.

### **Cape Technikon and Peninsula Technikon**

The Ministry does not believe that Cape Technikon and Peninsula Technikon, which are both medium-sized institutions, are sufficiently different in mission and programme spread to warrant their retention as separate institutions. Both institutions have relatively high proportions of students enrolled in science, engineering and technology and in business and management, and although the two institutions have previously reached agreement on identifying niche areas in which each would specialise, there is nevertheless a great deal of programme overlap and duplication.

The Ministry is of the view that merging Cape Technikon and Peninsula Technikon would result in a large and stronger technikon, which would be well-placed to develop and strengthen career-focused education in the Western Cape. Its major focus across both campuses would be in science, engineering and technology

and in business and management, with the opportunity of developing programmes in other fields of study in response to regional and national needs. In addition, it would have the following advantages:

- A broadened and enhanced range of programmes through programme rationalisation. Currently about 50% of the programme areas in which the two technikons are active are common to both, while in the remaining 50% of programme areas only one of the two institutions is active. The programme areas that are unique to each institution tend to be in specialised areas in science, engineering and technology and the humanities. This suggests that, in the absence of inter-institutional competition for students, academic programme offerings in a merged technikon could be both rationalised and widened.
- Improved efficiency in graduate outputs. In 2000 both technikons had poor graduation rates for students in three-year undergraduate diplomas. Their graduation rates imply that at most 30% of any cohort of students entering the institutions would eventually complete a qualification in either three, four or five years. Both had furthermore unsatisfactory student to academic staff ratios in key programme areas, which could have contributed to the poor output rates experienced by the institutions. A consolidation of programmes and of academic staff could lead to improvements in these ratios, and consequently, improvements in outputs.
- Enhanced staff and student equity, although the merged institution would still have to address the staff equity in terms of gender and race, specifically the under-representation of African staff.
- Enable the limited but growing research profile of the two institutions to be consolidated and enhanced.

The new institution proposed would have the following characteristics:

- 17 000 (or 85%) of its head count total would be enrolled for three-year undergraduate diplomas, 2500 (12.5%) for professional first bachelors degree and 500 (2.5%) for masters or doctoral degrees).
- 75% of its full-time equivalent students would be enrolled in science, engineering and technology or business and management programmes.
- 4 700 graduates would be produced annually, compared to the current combined total of 3 300.
- 75% of its head count total of students would be black.
- 50% of its students would be female and 50% male.

- 750 permanent academic staff, 26% of whom would have either a masters or doctorate as highest qualification.

### **3.9 National Institutes for Higher Education**

The Ministry indicated in the National Plan that it was committed to establishing National Institutes for Higher Education in Mpumalanga and the Northern Cape to address the "claims for higher education provision in the two provinces". The National Institutes "would serve as the administrative and governance hub for ensuring the coherent provision of higher education programmes largely through programme collaboration between the higher education institutions currently operating in the two provinces" (NPHE: 85).

The Ministry appointed two separate Working Groups, following the release of the National Plan, to develop a framework and implementation plan to facilitate the establishment of the National Institutes for Higher Education. The Ministry has received and considered the reports of the Mpumalanga and Northern Cape Working Groups, which collaborated and developed a common framework for the establishment of the National Institutes for Higher Education.

The Ministry is in broad agreement with the conceptual framework outlined in the Working Group reports. It believes that the proposed framework has the potential to develop into a new institutional and organisational form that could be replicated in other parts of the country should the need arise.

The Ministry has noted the issues identified by the two Working Groups, which require further investigation to facilitate implementation. The Ministry will ensure that these investigations are completed in the course of this year, as it is committed to phasing-in the establishment of the National Institutes for Higher Education from 2003. The Ministry has released the reports for public comment prior to finalising the framework.

The Ministry would like to reiterate, as stated in the National Plan, that "the continued operations of higher education institutions in the two provinces is conditional on their agreement to collaborate and participate in the establishment of the National Institutes for Higher Education. Institutions that are not willing to collaborate or participate in the process will not be allowed to continue providing programmes in the two provinces" (NPHE: 85).

### **3.10 Incorporation of Agricultural and Nursing Colleges**

The Ministry agrees with the NWG's proposal, which is also supported by the Council on Higher Education, that colleges of agriculture and nursing should be incorporated into the higher education system as this is "not only consistent with the policy framework of the White Paper, but more importantly, that it would consolidate, strengthen and enhance the provision of higher education in the regions concerned" (NWG: 18).

The Ministry will finalise discussions on this issue with the Ministries of Agriculture and Health respectively in the near future.

#### **4. A New Institutional Landscape**

The Ministry's proposals would result in twenty-one higher education institutions and two National Institutes for Higher Education (outlined in Appendix 1), consisting of:

- 11 Universities, 2 of which would be expected to develop career-focused technikon-type programmes to address regional needs.
  
- 6 Technikons.
  
- 4 Comprehensive Institutions, 3 of which would be established through the merger of a technikon and a university and 1 through the redevelopment and refocusing of an existing university.
  
- 2 National Institutes for Higher Education.

The proposed consolidation in the number of institutions from 36 to 21 will not, however, lead to a decrease in provision, as all the existing sites of delivery would continue to operate, although in new institutional and organisational forms.

It should be emphasised that of the existing thirty-six institutions only five - 4 universities and 1 technikon, remain unaffected by the merger proposals. These are the Universities of Cape Town, Stellenbosch, Western Cape and the Witwatersrand and the Vaal Triangle Technikon. All the other institutions are affected, although in some cases the restructuring impact is limited to the incorporation of satellite campuses. In fact, no institution has been exempted from the restructuring process as the institutions not directly affected by mergers, have nevertheless been impacted on by the programme rationalisation proposals, which are outlined in section 7 below.

The fact that four of the five institutions are historically white institutions has given rise to the perception that the main purpose of the restructuring exercise is to deal with the historically black institutions, in particular, those, which for a variety of reasons, are not sustainable. The Ministry would like to state categorically that the restructuring exercise is not an attempt to deal with the specific problems, in particular, financial problems, of a range of historically black institutions. In fact, and contrary to received wisdom, there are a number of historically white institutions which are also encountering financial difficulties, and whose sustainability is precarious.

Furthermore, as the indicators and benchmarks developed by the NWG indicate, the higher education system as a whole falls far short of the benchmarks (NWG: 12-14). In fact no institution satisfies all the benchmarks. Thus all institutions, including institutions proposed for merger, must develop strategies to ensure their "fitness of purpose" in terms of equity, sustainability and productivity. In this regard, it should be noted that the NWG clearly indicates that the historically white institutions that have not been identified for merger must give urgent attention to internal transformation processes, in particular, to "issues of increasing access and equity, improving success rates and should apply themselves to the development of an enabling environment in which all South Africans can pursue their studies unhampered by social and cultural impediments" (NWG: 28), as well as to "serious regional collaboration with a view to the rationalisation as well as the strengthening of programmes through co-ordination and consolidation" (NWG: 35).

The fact that not all institutions have been identified for merger must be assessed on the merits of each case. The litmus test must surely be to assess whether the proposal not to merge all institutions is consistent with the overall approach rather than to focus on whether the affected institutions are white or black. Notwithstanding the historical legacy of apartheid on the institutional landscape of the higher education system, the key issue that needs to be addressed is whether restructuring would lead to the creation of a single national co-ordinated higher education system that is consistent with the values and principles of our democracy as embedded in the Constitution. In this regard, as the Council on Higher Education stated in its report:

"the 36 public higher education institutions inherited from the past are all South African institutions. They must be embraced as such, must be transformed where necessary and must be put to work for and on behalf of all South Africans" (CHE: 14).

The Ministry is confident that the proposed new institutional landscape will lay the foundation for creating South African institutions in line with the vision of the White Paper. This vision is of a transformed, democratic, non-racial and non-sexist system of higher education that will:

- "promote equity of access and fair chances of success to all who are seeking to realise their potential through higher education, while eradicating all forms of unfair discrimination and advancing redress for past inequalities;
- meet, through well-planned and co-ordinated teaching, learning and research programmes, national development needs, including the high-skilled employment needs presented by a growing economy operating in a global environment;
- support a democratic ethos and a culture of human rights through educational programmes and practices conducive to critical discourse and creative thinking, cultural tolerance, and a common commitment to a humane, non-racist and non-sexist social order;
- contribute to the advancement of all forms of knowledge and scholarship, and in particular address the diverse problems and demands of the local, national, southern African and African contexts, and uphold rigorous standards of academic quality" (White Paper: 1.14).

The proposed landscape will, in addition, ensure that institutions are well-placed to meet the policy goals and strategic objectives identified in the National Plan, which are outlined in the introduction. The Ministry believes that it has the potential to enable the higher education system to take a giant leap forward to meet the challenges of reconstruction and development in the context of the rapidly changing nature of social and economic relations associated with the phenomenon of globalisation.

However, the Ministry agrees with the NWG that although consolidating the number of institutions “will lay the foundation for an equitable, sustainable and productive higher education system that will be of high quality and contribute effectively and efficiently to the human resource, skills, knowledge and research needs of South Africa.....[the] reconfiguration of the institutional landscape in itself is not sufficient to ensure an equitable, sustainable and productive higher education system” (NWG: 16).

The fundamental issue is that while the mergers will enable the necessary structural changes to be effected, in particular, to establish a solid and sustainable institutional foundation, this in itself is not sufficient to ensure the successful addressing of the wide-ranging policy goals and strategic objectives outlined in the National Plan. The Ministry is acutely conscious of the dangers inherent in focusing on structural changes, which become an end in themselves rather than a means to achieve the broader goals and objectives of restructuring, that is, to create a high quality higher education system that contributes to the development of the high-level skills and knowledge and research needs of South Africa. For example, merging two weak institutions would not necessarily result in a strong institution. It would, however, lay the basis for creating a strong institution through, for instance:

- Ensuring better staff: student ratios thus enabling the development of strategies to improve poor throughput and graduation rates.
- Rationalisation of programmes where there is duplication and overlap, which would allow for a more effective and efficient distribution of programmes, resulting in, (i) economies of scale through reducing unit costs; (ii) economies of scope through broadening the range of courses on offer thus increasing student choice and enabling greater responsiveness to rapidly changing labour market requirements.
- Enhanced administrative and management capacity through the consolidation of existing personnel, especially at middle management level.

However, to achieve the broader goals and objectives for the transformation and restructuring of the higher education system, the institutional restructuring proposals have to be implemented in parallel with the policy goals and strategic objectives for the transformation of the higher education system outlined in the National Plan. This will require a concerted effort through the planning process to ensure that the broader goals and objectives are well-defined and clear targets and time-frames set for their realisation. The Ministry is of the view that the institutional three-year “rolling” plan process (discussed below) is the mechanism for addressing this.

There are four issues linked to the establishment of a new institutional landscape, which require further clarification. The five issues, which are discussed below are; (i) the notion and implications of establishing a comprehensive institution through the merger of a university and a technikon; (ii) programme collaboration and rationalisation at a regional level; (iii) federal versus unitary mergers; and (iv) the relationship between the merger process and the three-year "rolling" plan process.

## **5. Comprehensive Institutions**

The NWG's proposal to establish a new institutional type, that is, a comprehensive institution through the merger of a university and technikon, has raised concerns regarding the implications of this for the continued maintenance of the binary divide, in particular, that the role of technikon programmes would be eroded in a comprehensive institution because of the tendency to academic drift.

It is the Ministry's view that the NWG's proposals are consistent with the National Plan, which argues for the maintenance, at least in the short-to-medium term, of the binary divide but with looser boundaries as suggested in the White Paper (NPHE: 57-58). The proposals are intended to strengthen the provision of technikon programmes through ensuring that technikon programmes are available throughout the country, in particular, in rural areas, which are currently inadequately serviced in terms of technikon provision.

The proposed institutional landscape would, in fact, result in an increase in the existing stock of technikon programmes, which would be offered both in the proposed comprehensive institutions, but also in a number of universities in regions where there are no existing technikons, such as in Limpopo, and the North-West, as well as in the National Institutes for Higher Education in Mpumalanga and the Northern Cape.

The Ministry is of the view that the notion of a comprehensive institution is an important innovation, which would contribute to promoting a range of goals identified in the National Plan and which are central to Government's Human Resource Development Strategy, including:

- Increased access, in particular, in career-focused programmes with prospective students able to choose from a wider range of programmes with different entry requirements.
- Improved articulation between career-focused and general academic programmes, thus facilitating student mobility between different programmes.
- Expanded opportunities for research and the strengthening and development of applied research through linking emerging foci of the technikons to the current research strengths of the universities.

- Enhanced capacity (because of the broader range of expertise and foci) to respond to the social and economic needs of the region in general and of industry and civil society in particular.

The Ministry acknowledges the concerns regarding “academic drift” raised by the technikon sector. In this regard, the Ministry agrees with the suggestion made by the NWG that “great care should be taken to prevent ‘academic drift’ towards university programmes at the expense of technikon programmes” in comprehensive institutions (NWG: 18). The appropriate balance between enrolments in technikon and university programmes within comprehensive institutions would be determined by the Ministry as part of its programme and qualification mix approval process and would thus be linked to the funding of student places.

In addition, the Ministry would like to indicate that in the case of the universities such as the proposed merged universities in Limpopo and the North-West, the institutions should factor in the need to develop technikon programmes in their planning process. The number and type of technikon programmes would have to be determined on the basis of institutional capacity and regional needs.

In relation to nomenclature, although the Ministry is not opposed to the NWG’s suggestion that comprehensive institutions should be called universities, it believes that further discussions are necessary before finalising the issue. The Ministry would request the Council on Higher Education to advise in this regard.

## **6. Merger Models**

### **6.1 Unitary versus Federal Mergers**

The Ministry accepts the NWG’s recommendation that the proposed mergers should all take the form of unitary mergers. Although not explicitly discussed, it seems clear that the NWG does not consider alternative models, in particular federal models, appropriate given the historical development and contemporary structure of higher education in South Africa. This is clearly indicated in the NWG’s discussion of its proposed merger of the University of Durban-Westville and the University of Natal, where it states:

“The main argument against a unitary merger seems to be that the institutions would lose their specific academic image or ‘brand’ which could, in its turn, have an adverse effect on their national and international relationships. The NWG believes that it would be easier to find solutions to these concerns within a unitary merger than in a federal association. The NWG believes further that a federal model could be the source of serious conflict and disruption if relatively autonomous campuses should start making irreconcilable claims on limited pools of resources. The NWG supports a unitary merger as the only basis on which the full benefits of a combination could be reaped and the possible disadvantages could be counteracted. Such a merger would give the opportunity for a strong leadership to develop a new academic image and organisational identity which could inspire staff, attract students and ensure the continuation of national and international partnerships” (NWG: 39).

The NWG's concerns regarding federal structures is confirmed by the South African Universities' Vice-Chancellors Association study: Exploring Institutional Collaboration and Mergers in Higher Education, which suggests, on the basis of international experience, that unitary structures have been more successful than federal structures. They tend, in particular, to be more effective in developing and promoting academic coherence, effecting cost efficiencies through economies of scale and in ensuring institutional loyalty and stability. Furthermore, the evidence suggests that in countries such as the Australia, Ireland and United Kingdom, existing federal structures have been getting weaker as a result of member institutions demanding more and more power from the centre (SAUVCA: 2001).

The Ministry agrees that a federal model is inappropriate in the South African context. It would require the establishment of an additional administrative and governance structure, which would further complicate rather than address the current administrative and governance challenges faced by higher education institutions. The whole point of mergers is, in part, to enable the streamlining of administrative and governance structures and the better utilisation of scarce administrative and managerial skills given the paucity of such skills, especially at the middle management level, within the higher education system.

In addition, and more importantly, federal structures are not suitable given the fragmentation and inequalities between the historically black and historically white institutions, which is a legacy of apartheid. The continued allegiance to existing institutional identities between historically black and historically white institutions within a federal structure is likely to fuel conflict and is a recipe for disaster, especially in relation to, for example, determining criteria for resource allocation. It is essential in the South African context to create new institutional identities that transcend the race and ethnic divides of past.

## **6.2 Voluntary versus Mandatory Mergers**

The Ministry has considered the argument made by the higher education sector that mergers are more likely to be successful if the initiative for the merger comes from the participating institutions rather than from the government. The Ministry accepts, in principle, the desirability of voluntary mergers. However, it is not convinced that institutional restructuring in the South African context can be left to the voluntary action of institutions for two reasons. First, as indicated in the National Plan, the evidence to date suggests that there has been little or no collaboration in relation to broader policy goals such as reducing programme duplication and overlap and laying the basis for new institutional and organisational forms. Indeed, as many institutions have suggested "institutional collaboration will not make any real headway unless there is direct intervention and stronger signals from government" (NPHE: 81).

Second, the international experience suggests that where voluntary action has been successful, its impetus has come from external pressure from government. In Australia, for example, the government, instead of determining actual mergers, simply established criteria for future funding linked to institutional size, which resulted in voluntary mergers. This is unlikely to work in the South African context given the fragmentation and deep-seated historical divides along race lines, which continue to bedevil the higher education system.

## **7. Programme Collaboration and Rationalisation**

The NWG considered and identified potential areas for programme collaboration and rationalisation between institutions at a regional level. However, it limited this to the institutions not affected by the merger proposals and did not consider programme collaboration and rationalisation in the context of each region as a whole, including the institutions proposed for merger. In this regard, the NWG recognises that "because of time and other constraints, it may not have identified the full range of potential programme areas that lend themselves to regional collaboration and rationalisation" and recommends that the Ministry should "complement its proposals in the context of the Department's assessment of the programme profiles submitted by higher education institutions" (NWG: 17).

The programme and qualification mix exercise has enabled the Ministry to identify a broad range of potential areas for programme collaboration and rationalisation within each region. These were discussed with institutions during the visits by Departmental officials to discuss the institutional programme and qualification profile. The identified programme areas are contained in the approved institutional programme and qualification profiles, which, as indicated section 1, is being released separately (a summary of the identified programmes is outlined in Appendix 2).

As indicated during the institutional visits, the continued funding of the identified programmes from the 2004/05 financial year would be subject to institutions jointly reviewing and submitting proposals for programme collaboration and rationalisation by the end of the year. In the event that joint proposals are not submitted, the Ministry will determine the framework for programme collaboration and rationalisation. The Ministry would like to indicate that this is a first step in programme collaboration and rationalisation and that the process will be refined and continue in subsequent years.

The Ministry recognises that the process will be complicated, as the regional proposals would have to take into account the implications of the merger proposals for programme collaboration and rationalisation. Notwithstanding the difficulties, the Ministry believes that the development of a regional collaboration and rationalisation framework in the identified programme areas would provide the institutions affected by the merger proposals with a clearer platform on which to plan, co-ordinate and rationalise their own programme profile.

In addition to the above, the Ministry proposes to rationalise the following programmes:

- The Dentistry Schools of the University of the Western Cape and the University of Stellenbosch should be merged into a single school, located at the University of the Western Cape.
- The University of Cape Town and the University of Stellenbosch should discontinue offering undergraduate programmes in nursing education. These programmes should be offered by the University of the Western Cape and the technikon established through the merger of Cape Technikon and Peninsula Technikon.

The Ministry will also request the Council on Higher Education, which is currently investigating the role and proliferation of Master of Business Administration (MBA) programmes, to advise on the rationalisation of these programmes.

The Ministry requires the affected institutions to submit jointly a proposal by no later than the end of the year outlining the steps that would be taken to effect these decisions, including time frames for implementation.

## **8. Institutional Three-Year “Rolling” Plans: Equity and Access**

The Ministry, as indicated in section 4, agrees with the view of the NWG that establishing a new institutional landscape, while necessary, is not in itself sufficient to “ensure an equitable, sustainable and productive higher education system” (NWG: 16). This would require addressing a broad range of goals and objectives, which are spelt out in detail in the National Plan, which establishes indicative targets for the size and shape of the higher education system, including:

- Increasing the overall participation rate from the current 15% to 20%, i.e. by an additional 200, 000 in the long-term through, amongst others, improved efficiency in graduate outputs, increased recruitment of workers, mature students, women and the disabled, as well as students from the SADC region.
- Shifting the balance in enrolments from 49% to 40% in the humanities; from 26% to 30% in business and commerce; from 25% to 30% science, engineering and technology.
- Enhancing the curriculum to respond to changing needs, in particular, the skills and competencies required to function in the modern world such as communications, computer and information skills.
- Ensuring equity of access, especially in programmes in which black and women students are under-represented such as business and commerce, science, engineering and technology and postgraduate programmes.
- Ensuring equity of outcomes through developing academic development strategies to address unacceptable drop-out and failure rates, especially among black students
- Addressing employment equity through measures to mentor, train and support young black and women academics.
- Sustaining existing, as well as building new research capacity.

The National Plan indicates that the Ministry will use funding and planning levers to steer the system to ensure achievement of these goals. Furthermore, it indicated that while the priority in 2001 would be to develop a framework for a new institutional landscape, including the programme and qualification profile of the different institutions, the submission of institutional three-year "rolling" plans in which institutions would be expected to outline the strategies that they intend developing to address the broad range of policy goals and objectives would kick-in in 2002.

The Ministry has, however, decided that it would not require all institutions to submit three-year "rolling" plans in 2002. This is informed by the fact that the Ministry anticipates that the institutions affected by the merger proposals are likely to be preoccupied with assessing the implications of, and developing their responses to, the merger proposals. The additional requirement to submit three-year "rolling" plans would be beyond the capacity of most institutions.

However, the Ministry will require the institutions that are not directly affected by the merger process or where it is limited to the incorporation of satellite campuses to submit three-year "rolling" plans for the period 2004-2006 focused on addressing a specified range of transformation goals. These include the following:

- University of Cape Town
- University of the Free State
- University of Pretoria
- Rhodes University
- University of Stellenbosch
- University of the Witwatersrand
- University of the Western Cape
- Free State Technikon
- Vaal Triangle Technikon.

Except for the University of the Western Cape, the remainder of the institutions not affected by mergers are all historically white institutions, which as the NWG indicates must give urgent attention to internal transformation processes, in particular, to "issues of increasing access and equity, improving success rates and should apply themselves to the development of an enabling environment in which all South Africans can pursue their studies unhampered by social and cultural impediments" (NWG: 28).

The National Plan provides the framework for giving effect to these transformation goals. It argues that:

“The Ministry will use various planning and funding levers to increase access and success of black, women and disabled students in higher education. It will:

- Allocate funded student places....taking into account past institutional performance in enrolling and graduating black, women and disabled students, as well as stated equity objectives and targets in the institutional three-year ‘rolling’ plans.
- Reduce funded student places in institutions that do not have satisfactory equity plans or whose performance is at variance with its equity plans” (NPHE: 47).

Furthermore, it indicates that while the Ministry is reluctant to set quotas because of the difficulties in setting realistic targets, it would not hesitate to introduce quotas “ if institutions do not develop their own race, gender and disability equity targets and put in place clear strategies for achieving them” (NPHE: 42).

The affected institutions (listed in Appendix 3) would be required to submit plans for the period 2004-2006 by December 2002 indicating the strategies and time-frames they intend putting in place to:

- Increase the access, and redress the imbalances in the success and graduation rates of black, women and disabled students in different programmes, fields of specialisation or qualifications, in particular, postgraduate programmes.
- Ensure (in the historically Afrikaans-speaking institutions) that the language of instruction is not a barrier to access, especially in high cost programmes with limited student places such as the health sciences and engineering.
- Develop and implement employment equity plans, which conform to the guidelines required by the Department of Labour in terms of the Employment Equity Act.

The Ministry is currently engaged in undertaking an analysis of race and gender trends at the affected institutions as a basis for establishing realistic targets. This, together with the institutional submissions, would serve as the basis of discussions between the Ministry and institutions to determine the targets for 2004-2006.

## **9. Implementation Process**

The Ministry agrees with the NWG that there are three preconditions for the successful implementation of the restructuring proposals. The first two preconditions relate to the role of government, in particular, the

political and financial commitment of the Government to restructuring (NWG: 54). This is not open to question. The Government's commitment to restructuring is underpinned by a clear understanding of the critical role of higher education in contributing to the consolidation of democracy in general and social, cultural, intellectual and economic development in particular.

Furthermore, the Ministry accepts that the restructuring of the higher education system would require additional resources, especially given the current parlous financial state of a large number of institutions. It also accepts that the additional resources are required to cover three aspects related to mergers, namely:

- Administrative and other direct costs linked to the merger process itself, in particular, the core activities necessary to give effect to the merger such as integrating administrative, financial and computer systems.
- Capacity-building initiatives, in particular, the development of administrative and management skills, as well academic capacity both in terms of curriculum restructuring in general and retooling to develop new mission and programme profiles in particular.
- The debt burden of institutions, which the NWG suggests should be written off to ensure that the new merged institution is financially sustainable and, in particular, that it does not weaken the financial base of existing institutions which are financially strong.

The Ministry is committed to ensuring that additional resources are made available both to cover the direct financial costs of merger, as well as to ensure that the merged institutions are financially sustainable. However, it is concerned that the NWG's suggestion of writing off the debt does not address the underlying factors that have given rise to the debt burden in the first place. Although this can in part, in particular, in the case of the historically black institutions, be attributed to the legacy of apartheid, this is not the sole cause of the current debt burden of institutions. The Ministry's analysis of the financial sustainability of higher education institutions suggests that the main cause of the debt burden is a combination of poor management and inadequate administrative and financial systems and controls. Thus unless these underlying factors are addressed, writing off the debt is not likely to lead to financial stability in the long-term.

The Ministry's view is that addressing the debt burden cannot be done in isolation of the merged institutions developing detailed financial plans, including the development of appropriate administrative and financial systems and controls. The Ministry intends, in conjunction with the Treasury, developing a financial framework for supporting the proposed mergers, which would serve as the basis for the development of institutional financial plans.

The third precondition identified by the NWG for the success of the restructuring process relates to the role of higher education institutions. As the NWG states:

“it is contingent on engendering a general spirit of collaboration across the system and on the willingness of individual institutions to give up some of their own aspirations in the interests of a well-functioning, balanced and vibrant system, with diverse institutional missions” (NWG: 16).

This is essential and cannot be over-emphasised. However, the commitment of institutions to restructuring, especially mergers, is at best ambiguous, except in the case of ML Sultan Technikon and Technikon Natal, which have engineered a voluntary merger. Although all institutions claim to support restructuring, few institutions support mergers. This is clearly indicated in the institutional submissions requested by the NWG and confirmed by the South African Universities’ Vice-Chancellors Association study, which states:

“The discussions (with higher education institutions) indicated that while institutions accept the importance of increased and more structured collaboration in order to achieve the objectives of the NPHE, very few institutions are convinced of the benefits for the system as a whole which would be delivered by institutional mergers” (SAUVCA: 28-29).

However, the commitment of institutions to structured collaboration is itself in doubt. As indicated in the National Plan, despite claims to the contrary, there is little or no evidence of institutional collaboration “in relation to broader policy goals such as reducing programme duplication and overlap, building academic and administrative capacity, enhancing responsiveness to regional and national needs and, more importantly, laying the basis for new institutional and organisational forms” (NPHE: 80). The Ministry accepts that there has been some movement in this regard since the release of the National Plan, at least at the level of intentions, as reflected in the formal agreement reached between institutions in the Western Cape and Central Gauteng regions.

The Ministry recognises that the success of the restructuring process is dependent on the commitment of all higher education institutions and constituencies, including the government. It would therefore like to encourage institutions, despite their reservations and concerns, in particular, the fact that the proposed mergers will result in a period of instability and upheaval, to recognise the opportunity provided by the restructuring process to enhance institutional efficiency and effectiveness, and thereby contributing to the renewal and transformation of the higher education system. This requires all institutions to transcend, difficult as this may be, their narrow institutional interests and to focus on the impact and beneficial effects of the restructuring process on the higher education system as a whole.

## **9.1 Legal Process**

The process for the merger of higher education institutions is outlined in Sections 23 and 24 of the Higher Education Act (Act No 101 of 1997). In terms of this the Minister must, inter-alia:

- Inform the affected higher education institutions in writing of his proposal.

- Publish notices in one national and one regional newspaper outlining the reasons for the proposed merger.
- Invite representations on his proposals from the Councils of the affected institutions and any other interested party.
- Consult the Council on Higher Education on his proposals.
- Consider the representations.

If, after considering the representations, the Minister intends to proceed with the implementation of his proposals, then, prior to gazetting the establishment of the merged institution, the Minister proposes to consult the Councils of the affected institutions regarding the proposed name and date of establishment of the merged institution. In addition, the Minister must:

- Call for nominations for the establishment of an interim council.
- Satisfy himself that the Councils of the affected institutions have complied with their obligations in terms of the applicable labour law.

The Ministry would like to indicate that it intends to complete the notice and representation process by the end of September 2002. Furthermore, if after considering the representations, the Minister decides to proceed with the mergers, the Ministry proposes to undertake this by June 2003, unless representations lead the Minister to conclude that this would not be appropriate. In this regard, the Ministry would take into account the differing needs and state of readiness of the affected institutions to proceed.

The Ministry has considered phasing-in the mergers over a longer time period. However, it has been persuaded by the international experience, which indicates that delaying the establishment of the new institution once a decision has been made impacts adversely on implementation, as it leads to increased anxiety among institutional constituencies, in particular, the staff.

## **9.2 Formal versus Substantive Integration**

Furthermore, in relation to phasing, the Ministry would like to emphasise that it is important to distinguish between the formal legal establishment of the new institution and the substantive integration of the merging institutions in terms of the administrative, support and other services, as well as the academic structures and programmes. The Ministry is under no illusion that substantive integration can occur in a short time span – it

is a three-to-five year process depending on the type and organisational complexity of the merged institutions. This is based on the fact that the range of issues that need to be addressed is daunting and includes, amongst others:

- Establishing a new institutional culture and ethos.
- Establishing new governance structures, including the necessary institutional statutes.
- Developing new academic structures and the integration of academic programmes.
- Developing new admissions policies and procedures.
- Developing new language policies – both administrative and in terms of the medium of instruction in cases where historically English-speaking and historically Afrikaans-speaking institutions are merged.
- Developing a new tuition and residence fee structures.
- Developing new conditions of service and remuneration.
- Developing a social plan to deal with the human resource implications of restructuring.
- Integrating administrative, financial, procurement and computer systems and procedures.
- Developing financial plans and consolidated budgets.
- Integrating support services.
- Integrating facilities and infrastructure planning and utilisation.

Furthermore, it is important to emphasise that substantive integration involves much more than the formal adoption of new policies, procedures and structures. It requires ensuring that the new policies, procedures and structures give rise to the creation of a new institution in the full meaning of the term, that is, real integration with a new institutional culture and ethos that is more than the sum of its parts. It cannot be based on the culture and ethos of the stronger partner in the merger process. This would be a recipe for disaster.

In this regard, it is imperative that measures are put in place to ensure that differences in admission policies, fee structures and language policies are addressed in a manner that promotes and facilitates access. In the case of a merger between a historically Afrikaans-medium institution and a historically English-medium institution, for example, the merged institution would have to adopt a dual or parallel medium language policy both for instruction and for administrative purposes.

In short, it requires a commitment from all institutions to accept that the merger process is a process between equals, irrespective of the current strengths and weaknesses of the merging institutions, which is a legacy of apartheid. The Ministry wishes to indicate that it intends to closely monitor the merger process to ensure that the principle of equality between the merging institutions is not breached in the development of the policies, procedures and structures of the merged institution.

### **9.3 Institutional Support**

The Ministry recognises that mergers are complex and time-consuming and place an additional burden and workload on the affected institutions. This is made all the more difficult given capacity constraints, both systemic and institutional. The Ministry is therefore committed to ensuring that the appropriate human and financial resources are leveraged in support of the merger process. In this regard, the Ministry intends establishing a merger office with a full-time staff within the Higher Education Branch of the Department to co-ordinate the provision of technical support to the affected institutions, including guidelines to facilitate the merger process. The details of the merger office, its functions and the services it would provide, will be made available to institutions.

## **10. Conclusion**

The agenda for the restructuring of the institutional landscape of the higher education system is far-reaching in its vision, ambitious in scope and range and complex in its implementation. It will stretch the capacity and resources of the system and it will require strong management and leadership to guide the process to a successful conclusion. It will require, as the National Plan indicated, a "single-minded sense of purpose and mission by all the constituencies in higher education, as well as the key constituencies outside higher education.....[and] the full weight of the human and financial resources at our disposal" (NPHE: 94)."

It will not be easy. However, we have no choice. The restructuring of the institutional landscape is a fundamental pre-requisite if the higher education system is to meet the multiple challenges of reconstruction and development in South Africa.

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## Appendix 1: Proposed New Institutional Landscape

### Universities

- University of Cape Town
- University of Durban-Westville/University of Natal
- University of Fort Hare/Rhodes University East London Campus/University of Transkei Health Sciences Faculty
- University of the Free State/Vista University Bloemfontein Campus/Qwa Qwa Campus of the University of the North
- University of the North-West/Potchefstroom University for Christian Higher Education/Vista University Sebokeng Campus\*
- University of the North/Medical University of Southern Africa/University of Venda\*
- University of Pretoria/Vista University Mamelodi Campus
- Rhodes University
- University of Stellenbosch
- University of the Western Cape
- University of the Witwatersrand

\* Must develop appropriate technikon programmes.

### **Technikons**

- Border Technikon/Eastern Cape Technikon/University of Transkei
- Cape Technikon/Peninsula Technikon
- Durban Institute of Technology/Mangosuthu Technikon ((incorporating the infrastructure and facilities of the Umlazi campus of the University of Zululand).
- Free State Technikon/Vista University Welkom Campus
- Technikon Northern Gauteng/Technikon North-West / Technikon Pretoria
- Vaal Triangle Technikon (incorporating the infrastructure and facilities of the Vista University Sebokeng campus).

### **Comprehensive Institutions**

- Rand Afrikaans University/Technikon Witwatersrand/Vista University East Rand and Soweto Campuses
- University of Port Elizabeth/Port Elizabeth Technikon/Vista University Port Elizabeth Campus
- University of Zululand
- University of South Africa/Technikon South Africa/Vista University Distance Education Campus.

### **National Institutes for Higher Education**

- Mpumalanga Institute for Higher Education
- Northern Cape Institute for Higher Education.

## **Appendix 2**

### **Programme Collaboration and Rationalisation**

The Ministry has identified the following areas for potential programme collaboration and rationalisation within each region. The approved institutional programme and qualification profile released separately provides a detailed list of the institutions within each region, which offer the programmes. These institutions are required to submit a joint proposal to the Ministry by the end of 2002 detailing their proposal for collaboration and rationalisation, including proposed time frames for implementation.

### **Eastern Cape**

- Visual and performing arts
- Journalism, media and communication studies
- Languages and literary studies

- Geological sciences
- Public administration and social work.

### **Free State**

- Agriculture and natural resources
- Architecture and environmental design
- Home economics
- Public administration.

### **Gauteng**

- Agriculture and natural resources
- Architecture and environmental design
- Visual and performing Arts
- Business and management
- Engineering
- Health sciences
- Home economics
- Languages and literary studies
- Geological sciences
- Public administration and social work.

### **KwaZulu-Natal**

- Architecture and environmental design
- Engineering
- Health sciences

- Home economics
- Languages and literary studies
- Public administration and social work.

### **Limpopo**

- Agriculture and natural resources
- Education
- Health sciences
- Languages and literary studies
- Law

### **North-West**

- Visual and Performing Arts
- Business and management
- Education
- Health Sciences
- Law
- Public administration

### **Western Cape**

- Architecture and environmental design
- Visual and performing arts
- Health sciences
- Home economics
- Languages and literary studies

- Library and museum studies
- Public administration and social work
- Gender studies.

### **Appendix 3**

#### **Report of the National Working Group**