

**Minister Pandor's speech to the annual conference of  
FAPSA (Financial Aid Practitioners of South Africa)**

Department of Higher Education and Training

Monday 2 July 2018

Birchwood Conference Centre.

Thank you for inviting me here to provide a keynote speech for this year's FAPSA conference.

This conference is taking place at a critical moment in the history of our higher education and training system.

As the theme of your conference “#Free Education – the Impact” acknowledges, we are here to deliberate on the impact of the provision of free education for poor and working class South Africans.

I'm happy therefore to have this opportunity to address you as key partners in the delivery of effective financial support to students.

As your invitation indicated, at last year's conference you deliberated on the possible effect of the changes in our student funding system might have on the operations of Financial Aid Offices at our public institutions.

You indicate that you questioned the existence of financial aid offices, should free education be implemented and asked what would happen to the staff working in this field.

You have been concerned that you do not have answers to these questions.

As you know in December 2017, the former President announced far-reaching changes to funding of students in higher education and training. These changes expand our definition of who is considered to be poor and working class, and effectively open up financial support to a greater number of students. They also change the model of financial aid to the poorest students, moving from a combined loan and bursary system to a full-cost of study bursary.

As you also know, the announcement requires us to make a number of changes to how we deliver on student funding, as there are policy implications of the announcement. My Department is working on a new student funding policy to give effect to the December announcement. We will be consulting widely on this policy, with all our partners in the system, including students.

I expect that FAPSA will play a key role in advising us on the development and implementation of the new policy.

The new allocation to the Department of Higher Education and Training to support poor and working class students in universities and TVET colleges and to support quality improvements in our public institutions was announced by the Minister of Finance in February 2018 and amount to R57 billion in new funding over this Medium Term Expenditure Framework (MTEF).

This places my Department in the position of having the fastest growing budget in government, at a time of severe fiscal and economic constraint.

This allocation shows just how seriously this government takes student funding matters. I want to say to you that I know there

have been some very serious implementation challenges linked to the implementation of “student-centred” financial aid for poor students. I have no intention of ignoring this and will talk a bit about what we have been doing, in partnership with yourselves to address these challenges.

However, I would like to focus primarily this morning on setting out a vision for a new student funding eco-system.

I would like to frame this by saying that the new DHET bursary scheme for poor and working class students is a wonderful opportunity for our young people and our higher education system. It is something worth celebrating.

We have an opportunity to provide truly meaningful prospects for young people in our higher education and training system.

This is a moment of hope and excitement, and I would like to focus on how we, despite the implementation difficulties, can harness this moment to make funding opportunities for the poor work for students and for the development of our education system.

I would like financial-aid practitioners to work in an environment that re-ignites your passion for supporting and assisting students, that reminds you how important the work that you do is for supporting student achievements, and that sets us on a path towards rebuilding the areas where trust has been broken in our student funding system.

What does it mean to have a student-centred model of financial aid?

I think we would all agree that the current model of funding

students, the so-called “student-centred” model, has not worked as intended.

It is not, in its current iteration “student centred”.

This does not mean that we should not be working to provide a delivery platform that is based on the best innovations in information technology and communication. In a system that is supporting such large numbers of students, and managing significant allocations of public funds, we must have a set of administrative processes that we can have absolute confidence in, and technology is critical to this.

However, we cannot ignore the human dimension of a student funding model. Students live and study close to the campuses of our institutions. They require all kinds of support – from psycho-social to academic to financial to many other practical forms of support.

Universities and colleges provide the environment within which students are able to achieve academic success, and therefore the institutional environment is critical to support.

Student-centred means being directly responsive to students- it means having real people who can engage with students, provide answers, solve problems and give immediate support.

This is why I have been signalling strongly that we need to bring back the relationship between the administration of student funding and the institutions.

Student financial-aid offices are a key part of my vision for the new DHET bursary scheme of government.

I hope that this answers your questions about the role of financial-aid practitioners.

As you may know, the DHET has been working closely with USAF and NSFAS since 2017 in addressing the implementation challenges of both the new NSFAS model that was rolled out in 2017, and the implementation of the new funding for 2018.

I have set up DHET support teams, comprising of college and university representatives, DHET and NSFAS officials to assist in addressing the system challenges, data management and integration.

Institutional finance and financial-aid practitioners have been a critical part of this process, and the leadership of institutions have pledged their support on a regular basis. I would like to thank all of you for the work that you have done and assure you that we need your commitment going forward.

Student funding is a critical enabler of student success. We have a great deal of evidence that shows this.

Yes, there are many complicated factors that combine to provide the right conditions for students to succeed in higher education: educational background, institutional environment, individual resilience, the quality of teaching and learning, meaningful access to support and of course financial aid.

According to the White Paper on the transformation of higher education released in 1997, the purpose of higher education is as follows:

“To meet the learning needs and aspirations of individuals through the development of their intellectual abilities and aptitudes throughout their lives. Higher education equips individuals to make the best use of their talents and of opportunities offered by society for self- fulfilment. It is thus a key allocator of life chances an important vehicle for achieving equity in the distribution of opportunity and achievement among South African citizens” (Republic of South Africa, 1997:2).

Our focus in the Department is not just on allowing access to students but supporting success.

What does this mean?

Through the University Capacity Development Programme we are focusing on improving the quality of the student experience at our university. This relates to the quality and relevance of the curricula, the abilities and motivation of our academic staff, and the range of student support services that students have access to. We are working with our universities to ensure their orientation towards student-centredness as their core business.

A quality education includes responsive curricula, effective academic staff, good teaching practices, access to libraries, learning materials and learning technologies, and well-run institutions that are focused on the core mandate of educating young people who will become scholars and leaders in their own right. It requires innovation, integrity and a responsiveness to the needs of young people and the needs of society.

Institutions that focus on the requirements for student-centredness will provide support dignity and success for all

students. Student funding, effectively and appropriately delivered is critical to this.

There are a range of other initiatives that we are working on to support this work: improvements in student housing and university infrastructure, the development of a Central Applications Service to facilitate access and decision-making for students, as well as the development of new funding models that will support so-called “missing middle” students, who also require financial support in order to succeed.

Students are the future leaders of our country, and assisting students to succeed is fundamental to the social change required for our development as well as to reverse the unacceptable inequalities of the past.

When the student funding system does not work it has a very real effect on the health, safety, life and dignity of students.

In the time since I have been in office I have heard many stories of students who have been affected by the delays in receiving adequate funding for their studies.

These students have lost access to accommodation, have not been able to eat properly, are exposed to unsafe living conditions, and have been unable to study effectively. There are also many effects on themselves and their possibility of success. These are the students that depend the most on the support that we should be providing.

The effective provision of financial support to students therefore has a fundamental impact on the lives of students and their ability to succeed. I am very worried about the young people that our funding system needs to support and I am committed

to do everything in my power to ensure that no student has to face these circumstances in the future.

I have also seen the powerful effect that student funding has had on poor and working students and their families.

When it works well, students are able to succeed, and many current leaders have been recipients of effective financial aid support from government and other sources. I have received many thank you messages from students and parents who are grateful for the support that we are providing.

Let us take inspiration and hope from these success stories and strive to ensure that all students can meet their individual aspirations for the future.

Let us also rebuild the confidence and trust of the public and our students in a financial aid system that truly works for our country and young people.

I believe that we CAN do this, and that we MUST do this.