

MEDIA STATEMENT

NATIONAL TREASURY POSITION ON FEES MATTER

Following the announcement by the Minister of Higher Education, Mr Blade Nzimande on higher education fees, National Treasury has been inundated with enquiries on how the shortfall will be funded. It is important to note that, a policy decision has been made to subsidise the fees of those students from poor backgrounds and the "missing middle" students (those who are classified as "too rich" to qualify for government support, but "too poor" to afford tuition fees).

National Treasury has been exploring different mechanisms of finding the money to pay for the subsidy. In the main, the department is embarking on a proiritising drive and working with various departments and agencies to address the shortfall.

In the present constrained fiscal envirionment this is an extremely challenging situation. It is important therefore that , those who can afford to pay do so to enable the state to support the ever increasing numbers of those who deserve support and cannot afford .

National Treasury also supports the call encouraging all NSFAS beneficiaries who are employed to start repaying their loans. This is part of each citizenry responsibility to play a part in helping other students who are in need of financial aid.

National Treasury will continue to work with the Department of Higher Education and Training on the fees matter and will announce the results of the process during the MTBPS on the 26 October 2016.

Issued on behalf of National Treasury

Date: 20 September 2016

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