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For Immediate Release



**Higher Education
Transformation Network**

Non-Profit Organization (NPO) Reg No: 116-851

PRESS RELEASE: UNIVERSITIES SA THREAT OF STAFF RETRENCHMENTS

The Higher Education Transformation Network (HETN), hereby condemns the statements by Universities SA / HESA, University of Cape Town and Rhodes University on their planned staff retrenchments.

We are extremely appalled by the above statements and warn the arrogant Vice-Chancellor body against proceeding with the stated self-defeating plans aimed at unduly sabotaging the national higher educational infrastructure of the country in the long term through selfish myopic management decisions. We believe that it was in fact the past unilateral myopic decisions by Vice-Chancellors under the aegis of Universities SA (led by Prof Adam Habib) to unilaterally raise university fees that sparked the 2015 national student revolt.

We further condemn the above-mentioned statement by Vice-Chancellors as we believe the statement is aimed at surreptitiously putting pressure on and hoodwinking Parliament and the *No-Fees Commission* established by the Minister of Higher Education to explore possibilities relating to free quality higher education, which we support. We believe that it is too early for Vice-Chancellors to start speculations on the matter as we believe that the *No Fees Commission* has yet to submit its empirical report and spell out its plans and possible funding solutions to the nation.

1. Utilisation of Reserves to Subsidise Own Internal Budgetary Shortfalls

We reiterate that the billions of reserves held by universities are ill-gotten gains from the apartheid state and need to be declared back to the national fiscus to be utilised to co-fund the annual allocations of the state and entry of poor students into the sector through amongst others the recapitalisation of the National Student Financial Aid Scheme (NSFAS).

We further reiterate that those universities who are holding immense reserves and investments such as University of Pretoria, UCT, Rhodes, Wits, Stellenbosch and University of Free State amongst others need to tap into their own reserves to fund their internal operations on staff funding amongst others. There exists no factual basis to justify mass staff retrenchments as threatened by Vice-Chancellors.

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2. 1% Increase in the Skills Development Levy

We further wish to reiterate that internationally, the responsibility to fund higher education does not rest with the state alone but remains a shared responsibility of the state with the business sector to partner in assisting the state to fund higher education as it is the business sector that also benefits from the immense investments made.

In the past 5 years, the state has invested heavily in funding the NSFAS as well as funding new infrastructure to facilitate increased access. This has not been fairly matched by the business sector. In lieu of the need for increased funding for the NSFAS, the Network hereby calls for the immediate increase in the skills development levy by 1% which needs to be ring-fenced exclusively to recapitalize the NSFAS.

The Network has within a period of five years since our establishment highlighted repeated examples of Vice-Chancellors (including a former Chairperson of HESA /Universities SA) who have flouted the Constitution of the Republic by abusing university resources in pursuing frivolous litigation and engaging in alleged fraudulent activities.

Contrary to the stated intentions of Vice-Chancellors to assist the state in effecting free higher education that will benefit all citizens of the Republic, some Vice-Chancellors continue to undermine the integrity of the Republic by flouting the provisions of the Public Finance Management Act and utilising university funds as private ATM's and privatising the apartheid reserves of the state unfairly accumulated during apartheid times in investment accounts held with private banks.

We accordingly believe that Universities SA / HESA has deviated from its self-proclaimed mandate and is in reality a trade union advocating for the personal interest of Vice-Chancellors, an oligarchy of learned friends and associates which does not act in the best interests of the country. Universities SA leadership complain about the need for increased state funding yet are quick to assert so-called institutional autonomy when it suits them.

We call on progressive higher education managers to break away from the cycle of myopia and groupthink that characterizes the current leadership of Universities South Africa (USA) and commit themselves through their actions to the spirit and letter of the Constitution of the Republic and Higher Education Act. Ends.

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About the Higher Education Transformation Network (HETN):-

The Higher Education Transformation Network (HETN) is an independent network of alumni and graduates from various higher education and further educational institutions across South Africa committed to the process of transformation of education and training to increase equitable and meaningful access to education, skills and learning to eliminate of socio-economic disparities.