FREE HIGHER EDUCATION IN SOUTH AFRICA: THE FUNDING ISSUE

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ABSTRACT

In 2015, students have been protesting and demanding free higher education in South Africa (Cloete 2015). It was described as the most intense and violent student protests in a century of higher education (Jansen and Walters 2019). Students were raising their concerns regarding the inequalities in access to higher education, mainly due to the persistent increase in tuition fees which affected the majority of students adversely as they are from less privileged households (Oyelana 2017). High tuition fees serve as a barrier of entry for many students into the higher education system and achieving a tertiary qualification causes the loss of opportunity to a higher quality of life (Statistics South Africa 2016).

It was evident that these demands were urgent as government intervention was needed to find a sustainable solution (Timeslive 2017). After these protests, known as #FeesMust Fall, the president of South Africa, Jacob Zuma, established the Heher Commission of Inquiry to determine the feasibility of higher education together with the viability of the government to finance free higher tuition (Timeslive 2017). The measurements to be put in place would need to resolve the vicious cycle of poverty and unemployment (Timeslive 2017). President Zuma stated that the levels of income inequality in the country is entranced and can be resolved if higher education is accessible to the youth (TimesLive 2017b).

The aim of the South African government is to promote an effective and efficient university education system and to support higher education institutes financially (National Treasury 2016). However, government subsidy to the higher education sector has been declining the past few years (Buku 2018). Thus, uncertainty exists regarding whether funding for free higher education is sustainable by the South African government (Lepule 2018). It is noted in a study by Mckay, Naidoo and Simpson (2018) that South Africa's demand for funding far exceeds the supply and it was also found that the entire process of providing funding is complex.

In light of this background, the purpose of this article is to gain an understanding of what the perceptions are of economic students regarding the funding of free higher education.Another aim is to explore alternative solutions rather than just demanding free higher education as the solution to gain equal access to higher education.

Keywords: Free Higher Education, Fees must fall, Funding

INTRODUCTION

In 2015, student protests related to funding issues sent shockwaves through the whole university system in South Africa. The call for "free" higher education was strong and adamant (Cloete 2015). These protests were described as the most intense and violent in a century of South African higher education (Jansen and Walters 2018). Students were raising their concerns concerning the inequalities in the entrance to higher education, mainly due to the persistent increase in tuition fees which adversely affected most students from less privileged households (Oyelana 2017). As is widely acknowledged, excessive tuition fees serve as an entry barrier for many students into higher education, and thus achieving a tertiary qualification, causing the loss of opportunity to a higher income and economic quality of life (Altbach, Reisberg and Rumbley 2019).

It was evident that student demands were serious, and government intervention needed to find an urgent, however sustainable, solution (Timeslive 2017). After these protests, also known as the #FeesMustFall campaign, the then South African president established the Heher Commission of Inquiry to determine the feasibility of affording "free" tuition in the higher education system (Timeslive 2017). The Commission had to propose student funding measures to resolve the vicious cycle of poverty and unemployment (Timeslive 2017). The main argument was that the levels of income inequality in the country are partly entrenched by a lack of affordable higher education opportunities and could be resolved if higher education was made accessible to more young people (TimesLive 2017).

The aim of most governments worldwide, including South Africa, is to raise an effective, efficient and affordable public higher education system which is financially sustainable and stable (National Treasury 2016). However, the subsidy allocated to the higher education sector by the South African government was steadily decreasing (Buku 2018). Uncertainty therefore prevailed as to whether funding for "free" higher education was to be a sustainable option (Lepule 2018). Mckay et al. (2018) noted that not only did South Africans' demand for funding higher education far exceeded the supply, the entire process of providing funding was and remains highly complex.

Against such background, this article draws on the perceptions of a group of students in Economic and Management Sciences at one South African university about the monetary funding of "free" higher education in South Africa. It argues for possible alternative options and solutions for improving equal access to higher education from a funding perspective.

LITERATURE REVIEW

Tuition fees in higher education

Entrance into higher education and its quality come at a significant cost to both higher education institutions and taxpayers (Altbach, Reisberg and Rubley 2010). South African universities determine their own tuition fees, and such fees are not regulated by government, except in terms of the subsidies that universities receive. The fact is that university tuition fees increase annually, while institutions argue that such increases are necessary to manage inadequate levels of government funding. They explain that tuition fees have to increase (Wangenge-Ouma and Carpentier 2018) to curb the ongoing rising of the per student costs of instruction, as is also the case countries worldwide (Altbach et al. 2010). Higher education expenditure includes, amongst others, staff salaries, costs related to staff development, paying for a range of student services and overall operational expenses (Pillay, Woldegiorgis and Knight 2017). In South Africa, the average annual increase in tuition fees for higher education institutions amounts to 8.8 per cent (StatsSA 2016).

Mainly due to the #FeesMustFall student protests, however, the South African government announced by the end of 2016 that there would be a 0 per cent fee increase for higher education institutions. It was not indicated how university shortfalls would be financed. Consequently, without appropriate government funding, institutional tuition fee increases were, and still are, inevitable (Van der Merwe 2016).

Tuition fees also differ among universities as well as among the various degree programmes they offer, ranging on average between R30 000 and R70 000 per student per annum. Recent data have shown that the tuition fee for a first-year university student in South Africa amounted to R64 200 on average (in 2019) and would increase to R107 600 by 2025. This amount excludes textbooks, travel and residency (Businesstech 2019). Not all figures add up, since a recent article (Gqubule 2021) indicated that the average tuition fee per higher education student amounted to R59 508 in 2021.

Funding structure in South Africa

The prevailing notion in South Africa is that the cost for students enrolling in public higher education is shared between government and students (or their families) (Wangenge-Ouma and Carpentier 2018). South African universities as such are mostly funded via government subsidies (e.g., the National Student Financial Aid Scheme), funding agencies (e.g., the National Research Foundation), student tuition fees, and “third stream” revenue through

research and "third party" contracts. This structure indeed points to cost sharing, where government and students, or those that support them, financially share the bulk of the costs (Johnstone 2020).

Students and their families can sometimes not afford all or even some of their higher education costs and then opt for a loan or a bursary (Johnstone 2020). The number of South African students needing financial aid has grown rapidly (Wangenge-Ouma 2021). In 2016, it was estimated that nearly 25 per cent of all South African university students received funding from the National Student Financial Aid Scheme (NSFAS), managed by the South African Department of Higher Education (NSFAS 2019). This figure varies (Luescher and Lange 2016) and currently stands at 61 per cent (Lewin 2024).

The aim of NSFAS is to financially support students (from the poor and working-class families) at public universities as well as vocational colleges with the aim to promote access to higher education. NSFAS covers tuition fees, limited accommodation, limited travel, limited personal care, living costs and book allowance (NSFAS 2023). However, the average funding per student received from NSFAS does not cover the actual cost of their studies (Luescher and Lange 2016). Before 2018, most of the funding provided by NSFAS was through a loan that needed to be paid back once the student has started working. However, since 2018, the funding provided by NSFAS has constituted a full non-repayable bursary (Grobler 2020).

Yet, government funding to universities must be recovered somehow. Government revenue mostly consists of tax paid by South African citizens, who are all taxed in different forms. Still, far fewer than half of South Africans have benefitted for or are benefitting from a higher education. On the contrary, only between 15 per cent and 20 per cent of South Africans between 25 and 64 years old has a higher education attainment (Department of Higher Education and Training 2024). It seems unfair that the underlying advantages rewarded by receiving higher education must be funded by all taxpayers while only a few reap the benefits (Hull 2015).

Out of the total general South African government expenditure in all sectors, just over 20 per cent is directed towards education (Macrotrends 2023). In real terms, however, government subsidies to South African universities have decreased from almost 50 per cent of the universities' budgets to almost 30 per cent recently, while tuition fees have increased during the same time by 7 per cent to compensate for the loss in revenue (Van der Merwe 2016). In 2020, three of the largest South African universities (University of Witwatersrand, University of Cape Town and Stellenbosch University) received only about a third of their revenue from government funding (StatsSA 2020). At the same time, government spending on education has

accelerated since the #FeesMustFall protests in 2015 compared to non-grant resources. These include tuition fees, donations, interest and dividends. In 2021, the then South African minister of higher education also reported that the South African government contributed more to higher education in the that year due to the rise in the number of students and the increase in budget allocation to fund poor and working-class students (BusinessTech 2021).

Free higher education announced

Shortly after the 2015 student upheaval, a "fees commission", the Heher Commission, chaired by Justice Heher, was appointed to determine whether free higher education was feasible. (News24 2017a). The commission's brief was to enquire into and propose suggestions on the feasibility of fee-free higher education in South Africa. However, numerous stakeholders were (and still are) of the opinion that there is no such thing as "free" higher education since all education needs to be financed in some way or another. An even more serious problem with higher education being supposedly "free" is that the South African constitution only states "affordable" education as a basic citizens' right (Cloete 2016).

Even though the report of the Heher Commission was uncompleted, the 2015 uprising eased down by the end of 2016, when the minister of higher education made the following more detailed announcement regarding university fees (Cloete 2016):

- Families earning below R120 000 per year will not pay university tuition but will be subsidised through loans;
- Families earning between R120 000 and R600 000 per year will pay fees but will not be required to pay the new fee increases for 2016; and
- Families earning above R600 000 per year will pay fees in addition to any increases.

This announcement came down to around 30 per cent of undergraduate students having to pay for any fee increases in the 2017 academic year (Cloete 2016).

By the end of 2017, the Heher Commission report was released. Five points from the report can be highlighted (News24 2017b):

- There is insufficient financial capacity in the state to provide totally free higher education and training.
- TVET education should be fee free for all and where needed stipends should be made available to cover the full cost of study
- R50bn should be transferred from the surplus of the Unemployment Insurance Fund for infrastructure development of TVET colleges.

- A cost-sharing model between the state and private financial sectors should be adopted, through which the latter will make available loans to fund university students. The state will purchase these loans or guarantee their repayment.
- Those who can afford it should pay. Students will only have to repay loans once they reach a specific income-level.

Evidently, these points from the report revealed that it was not feasible to grant free higher education to all. Yet, despite these findings, the government introduced free higher education for all poor and working-class students (Wangenge-Ouma and Carpentier 2018). Upon the completion of the Heher Commission report in August 2017, a cabinet announcement on 16 December 2017 (Timeslive 2017) stipulated the following:

- Students from households with a combined annual income of R350 000 or less will have their TVET college or university studies fully subsidised.
- This will be introduced for first-year students in 2018 and fully phased in over a period of five years.
- Students will be funded through government grants, no loans.
- The loans received from the National Student Financial Aid Scheme (NSFAS) will be converted into bursaries.
- Fully subsidised' means paying for all successful applicants' tuition fees, prescribed study material, meals, accommodation and/or transport.

The new policy was to be implemented over a five-year timeframe and would only be applicable to first-year students whose families had an annual income of less than R350 000. This was in comparison to the previous policy that had stipulated an annual income threshold of R122 000 per annum. Moreover, while previous bursaries and loans were mostly loans needed to be repaid by students once they started working, only non-repayable bursaries were provided according to the new policy (Gqubule 2021). What this all meant was that the outcome to provide "fee free" higher education to so many students incurred immense funding challenges to South Africa.

In 2021, some students were protesting again, demanding that the "missing middle" students were also provided free higher education. However, in response, the then minister made it clear that there is no free higher education for all. The "missing middle" group refer to all students who fall outside the poor and working-class bracket (with a household income of not more than R350 000 per year), but still cannot afford to pay higher education fees.

Government continues looking into this problem and the solution might be through a combined loan and bursary scheme (Samuels 2021).

Costing of "free" higher education and funding options

The South African economy has weakened over the past decade, the tax revenue is under pressure, the government has significant debt, and there is rising wastage and corruption. Despite these and other financial challenges, "free" higher education was available to many students (Wangenge-Ouma 2021).

In terms of costing, Ggubule (2021) has pointed out that it would cost the government around R121 billion annually to offer fee free higher education. NSFAS was to be and still is the distribution channel to fund students who meet the stipulated criteria. From the total projected amount, R78 billion would be funded from "new" money, whereas R43 billion would be current NSFAS spending, as calculated on 2021–2022 figures. However, in the budget speech of the minister of finance in 2022, a further distribution of R32.6 billion of financial sustenance was announced to existing bursary holders and first-year students under the NSFAS scheme (Dyomfana 2022). In 2022 it was confirmed that funding by NSFAS had increased significantly over the previous six years, namely from the initial R5.9 billion in 2014 to R49 billion in 2022 (City Press 2022).

Notably, since 2009, the NSFAS scheme had problems with debt collection, with a follow-on effect for the disbursing of money for students who were promised free higher education starting 2018. The administration costs and irregular and wasteful expenditure of NSFAS worsened, which became highly problematic for the new commitment to provide free higher education and has resulted in prolonged student unrest at some university campuses (Cloete and Van Schalkwyk 2021).

The decision to provide "fee free" higher education for students from poor and working-class families had material implications, including the fact that public funding for universities had to increase (Wangenge-Ouma and Carpentier 2018). However, South Africa's taxes and tax base did not increase over the past few years, except for the annual increase in individual income tax brackets. Furthermore, in the 2022 budget speech it was publicised that the company's tax rate was going to decrease from 28 per cent to 27 per cent (Good SA 2022), which meant that the state needed to further increase its borrowings or cut spending on other public services (Wangenge-Ouma and Carpentier 2018).

There are those who are of the opinion that "free" higher education is possible in South Africa if the share of gross domestic product (GDP) to higher education rises and if taxes would

increase for the rich (Cloete 2016). This is in the face of an option to increase university subsidies to 1 per cent of GDP over five years since 2017 to address the sector's underfunding. A total of R57 billion was thus allocated in the medium term to fund higher education fees for first-year students, which happened by reallocating priorities in government spending (Eyewitness News 2018).

What one needs to be reminded of is that "free" higher education for all (i.e., if all undergraduate higher education would be "feeless"), enabled by an increase in tax for middle- and high-income groups, would disproportionally benefit students from these groups, since these students are in the majority at universities (Van der Merwe 2016). However, not anywhere in the world do the wealthy pay for free higher education for everyone (Cloete 2016). Higher income taxes could have negative consequences such as increases in tax avoidance actions or a reduction in employees' remuneration or working hours to save money for taxes. An increase in the VAT rate might be a better solution, as it is paid by greater general part of the population of the country (Muller 2018).

A study by Gyimah-Brempong, Paddison and Mitiku (2006) suggested that one way to increase the supply of higher education is to improve its efficiency. Thereby, more higher education opportunities could be provided without additional costs. Another solution mentioned may be to finance students through effective loan schemes, while a third could be to increase cost recovery from students, given their high private rates of returns.

Fee practices in some other countries

Only a few countries world-wide offer completely "free" higher education. In Norway and Finland, for instance, economic stratification is more just, and higher education thus more affordable for their governments. Norway is a rich country where almost everyone is employed and thus taxed (Cloete and Van Schalkwyk 2021).

Australia, on the other hand, makes use of an income contingent loans (ICL) system, which is considered one of the most sustainable models for student funding. This system entails fee-free studies with loan repayments directly after graduation, starting low and increasing gradually. This system is also part of Australia's tax system, so graduates do not have to do repayments if they are unemployed or earn less than the taxable income threshold. However, graduates need to repay the full loan amount if they leave the country. This system is governed by the Australian treasury and not by their government, making it possible for students to enrol at higher education institutions under a more affordable and sustainable option (Cloete and Van Schalkwyk 2021).

As early as 1995, China, facing student protests, introduced three overall strategies:

- massification (China selected specific universities to fund and participation at those institutions increased dramatically),
- an increase in government spending from 1 per cent to 3.5 per cent of GDP on higher education, and
- the introduction of tuition fees with a loan scheme.

In Germany, higher education is seen "a public good". Tuition fees are thus completely waived, meaning that higher education is offered free to students while the government contributes around 84 per cent of university funding (PWC South Africa 2015).

As for the United States and the United Kingdom, government funding for higher education has declined significantly over the past few years. These governments contribute only around 34 per cent and 30 per cent respectively to public universities, which, as a result, exponentially increased student tuition fees and student debt (PWC South Africa 2015).

The funding model for South Africa's higher education is among the most progressive and generous for a developing country (City Press 2022). The previous minister of higher education reported that, except for Cuba, South Africa is the only country that provides poor students such comprehensive support for higher education. However, South Africa should seek advice from their northern neighbours, to learn lessons from them and identify the pitfalls to avoid. Countries in Africa that offer free higher education have not succeeded in addressing the task of universalising entrance into higher education (Langa et al. 2017). It can be concluded that only a few countries around the world can offer free higher education, and those are countries with a sound economic and political climate.

Against a background of unequal access to higher education in South Africa, the funding thereof and the decision to provide free higher education to a selective group of people in South Africa, the question remained as to how university students studying commerce may perceive "free" higher education. The empirical part of the study thus enquired into the perceptions of commerce students at one university in South Africa regarding the funding of free higher education for all.

METHODOLOGY

Background

A questionnaire with closed and open-ended questions was employed to study the perceptions of a group of Economic and Management Sciences (EMS) students regarding the funding of

free higher education in South Africa. The policies of the targeted university changed during the 1990s, which led to the admission of a much more diverse contingent of students. The sample university has 10 faculties, of which the EMS faculty is the largest in terms of student numbers.

EMS students were selected as respondents based on the assumption that they are educated about the finances, funds and the national economy. All the programmes in this faculty cover topics within the scope of finances, economics, and management. It was thus argued that these students might be better equipped to have well-informed opinions and possible solutions regarding "free" higher education. Responses were generated shortly after the #FeesMustFall campaign across universities in South Africa.

It has been previously established that student views can provide useful insights regarding specific matters (Callender and Wilkinson 2013). In this study, the opinions and perceptions of students would be insightful regarding the funding of free higher education. The results of which may be helpful to challenge and discuss decisions about issues regarding the funding of higher education.

Research aim

The aim of the present study was to determine whether and how students may qualify for "free" higher education in South Africa. This also involves the national affordability of higher education and alternatives to completely feeless higher education. The study concluded that different fee structures may be needed for different categories of South African students who qualify for higher education and are comparable to international best practices, but also appropriate and affordable, given the socio-economic circumstances and fiscal position in South Africa.

Student survey

The questionnaire was electronically distributed among 6 004 undergraduate and postgraduate EMS students at the sample university. Upon completing the online questionnaire voluntarily and anonymously, respondents gave their informed consent, and the responses were treated confidential. The study was thus easily replicable and prior ethical clearance and institutional permission were acquired.

The questionnaire comprised of five parts. The first covered some background information about the students. In the second part, students evaluated general statements regarding free

higher education on a 5–point Likert scale, varying from 1 to 5 (where 1 = "completely disagree" and 5 = "completely agree"). The third part posed questions regarding the fees and costs of their studies, whilst the fourth part comprised questions on the consequences of tuition-free higher education. The final part comprised of open-ended questions to generate students' views on the definition of "free" higher education and how it may impact on the South African economy if it was to be implemented.

Background information on students

A response rate of 20 per cent (1 201 respondents) was achieved via an email invitation to all EMS students to participate. A minimum sample size of 10 per cent of the total target population is recommended for a descriptive study (Gay 1987). The results obtained could therefore be generalised to the target population for EMS students at the sample South African university, but not beyond this parameter.

Table 1 shows some background information on the students who participated in the survey.

Table 1: Background information of respondents

Male:	48.6%	Female:	51.4%
Undergraduate:	84.7%	Postgraduate:	15.3%
Generic White:	76.4%	Generic Black:	23.6%
Afrikaans language of tuition:	32.7%	English language of tuition:	68.3%

Analysis

Basic descriptive statistics were used to analyse the closed-ended Likert-scale responses relating to the questions about the funding of free higher education. Basic content analysis was utilised to scrutinise students' responses to the open questions. Quotes in the results section of this study signify representative responses – all chosen to inform the quantitative study results.

RESULTS

Rating questions regarding the funding of free higher education

In the second part of the questionnaire a 1 – 5 Likert scale was used to rate general statements about "free" higher education. Two of these questions dealt with the funding of free higher education. The median and mean were calculated (see Table 2).

Table 2: Student views on the funding of free higher education

	Median	Mean
"'I think the South African government is able to implement free higher education'".	2	2.2
"'I think higher education institutions have funds to implement free higher education'".	2	2.1

Funding of studies

In the 3rd part of the questionnaire, the question was asked how the students' studies were funded (the total cost of study, including the cost of tuition fees, accommodation, meals etc.). They were also asked to indicate whether they applied for funding but did not receive it.

Table 3: Funding of studies

Funded	**Percentage**
"100% by family"	47,7%
"100% by grant or loan"	8,2%
"Majority by family and rest by grant or loan"	15,6%
"Majority by grant or loan and rest by family"	19.3%

Table 4: Applied for funding but did not receive

Applied for funding	**Percentage respondents not received**
"Merit bursary"	21%
"Bank loan"	7%
"NSFAS"	7%
"Employer bursary"	17%
"Other"	9%
Total	**61%**

Views on how student funding should be generated, how it should be distributed, and how much is needed

The 4th section of the questionnaire concerned the implementation of free higher education. Students were asked, inter alia, how the money should be generated to fund this, how the amount per student should be determined, and what they considered the total cost would be for implementing free higher education. The results are presented in Tables 5, 6 and 7.

Table 5: How the money will be generated to fund free higher education

Method	**Percentage**
"Taxpayers pay more tax"	6.3%
"Government budget less for other services and more for higher education"	46.9%
"Employers contribute to students that study in their field"	34.9%
"Cutting government wage bills"	56.9%
"Loan funding rather that grant funding (graduates make repayments as they earn)"	30.8%
"Savings from less corruption by governments"	84.5%
"Other"	3.6%

Table 6: How the amount per student should be determined

Method	Percentage
"Everyone receives the same fixed amount"	18.8%
"Everyone receives a certain amount depending on the student's household income"	28.4%
"Everyone receives an amount calculated by a specific formula taking various factors into account (e.g., income, race, home town)"	17.4%
"Everyone receives an amount equal to the total costs of his/her specific course (i.e., tuition, accommodation, books etc.)"	47.7%
Other	3.4%

Table 7: How much money is needed to fund free higher education

Amount	Percentage
"Less than R1mil"	0.5%
"Between R1mil and R1bil"	6.5%
"Between R1bil and R10bil"	21.1%
"Between R10bil and R50bil"	37.3%
"More than R50bil"	27.6%

DISCUSSION

The main question is whether there are sufficient funds available to implement free higher education for all, or even for only the poor in South Africa. Most students (66%) responded negatively when they were asked about their views on whether the South African government was able to implement free higher education for all. The students responded in similar fashion regarding whether higher education institutions have the funds to implement free higher education for all. As the respondents were studying in the field of commerce, they might have realised that funding for free higher education would entail a significant amount, and that the budgets of the South African government and higher education institutions were under strain; hence, there would not have been sufficient funds to cover the amount needed.

They might have also been aware that low percentages of the GDP had been allocated to higher education in South Africa in the past (Cloete 2015), thus realising that it would be difficult to fund free higher education. Commerce students also probably realised that tuition fees were persistently increasing (Wangenge-Ouma and Carpentier 2018), and as such, the funding of this and other related study costs by the South African government would probably not be possible.

In South Africa, a cost sharing approach is used where the cost of studies for students enrolling in public higher education is shared between government and students (or those that support them financially). Most of the respondents specified that 100 per cent of their study costs were funded by their family, while 15,6 per cent of the respondents indicated that most of their costs (thus more than 50 per cent) were funded by their family, with the rest covered by means of a grant or a loan. A smaller percentage of respondents (8,2% and 19,3% = 27,5%) used bursaries and loans to either fund 100 per cent or most of their costs (thus more than 50%).

The bursaries and loans included merit bursaries, bank loans, NSFAS, employer bursaries and other. However, only 4,9 per cent of these respondents indicated that they received and used NSFAS as a source of funding, which does not reflect the estimation that about 25 per cent of all students in South Africa receives funding from the NSFAS (NSFAS 2019). This finding may indicate that study respondents were not sufficiently representative of the broader student population, as the study only focused on economic and management sciences students at one higher education institution.

The disadvantage of cost sharing is that some poor and disadvantaged families might be excluded from entering the higher education system due to not having the funding themselves and being unable to obtain a loan or a grant (Johnstone 2003).

It is apparent from Table 4 that a total of 61 per cent of the respondents had applied for some kind of funding without success. This could point to a need for funding as, clearly, the demand is high, but the supply is little. Inadequate funding is a factor that impacts students' success (Chiramba and Ndofirepi 2023). This, while it was estimated that NSFAS was able to fund less than half of the students who qualified for financial aid (Luescher and Lange 2016). Students from poor and disadvantaged families might struggle to qualify for a loan, due to poor creditworthiness and are loan averse (Aronson and Fleming 2023). This problem was partially addressed by the decision of the Heher commission that families earning a combined annual income of R350 000 or less would be fully subsidised by the government. This would be in the form of a bursary that would not have to be repaid. The funding would occur in the form of a NSFAS bursary (Gqubele 2021).

Since the decision to implement a level of free higher education in South Africa, the question in everybody's minds has been where the money would come from. Most respondents to the present study (84.5 per cent) were of the opinion that the money should come from the savings generated by reduced government corruption. As respondents were allowed to choose more than one option for this question, they additionally indicated that the money should be generated from a combination of the following sources: more funds allocated to higher education than other services; contributions from protentional employers; a cut in the wage bill of the government; and awarding repayable loans instead of grants.

Of the study's participants, 46,9 per cent suggested that the government's budget should allocate more funds to higher education. Free higher education is funded by NSFAS, who receives the money from the Department of Higher Education and Training. The South African government is funding this through the increase of the percentage of GDP allocated to higher

education (Eyewitness News 2018). In 2019/2020, the South African government spent 20 per cent on education services. This, while the public debt has and still is increasing (StatsSA 2022).

Once free higher education is implemented, it is important to either determine amount per student, or to decide whether everyone eligible would receive the same amount. The respondents in this study were in favour of calculating the amount by considering the total costs of the course done by the specific student (including the cost of tuition, accommodation, books, etc.). It is evident from the results that the respondents were keener on determining the amount based on a specific calculation rather than everyone receiving the same fixed amount.

The Heher commission, for instance, proposed that students from households with a combined annual income of R350 000 or less have their specific higher education studies fully subsidised. The subsidy includes tuition fees, prescribed study material, meals, accommodation and/or transport (Timeslive 2017). This suggests that the amount per student is determined based on the specific higher education institution, the field of study, and specific additional costs over and above tuition fees, which corresponds with the respondents' proposal that students should receive an amount based on their specific circumstances, rather than a fixed amount.

When respondents were asked to estimate the money needed per year to implement free higher education if they assumed that there are just over 800 000 undergraduate students in South Africa, 64.9 per cent estimated that it would cost more than R10bil. Of these, 27.6 per cent believed that even more money would be needed (more than R50bil). The response indicates that the commerce students knew a significant amount of money is needed. The then responsible minister reported that NSFAS funding had increased from R5.9 billion in 2014 to R34.7 billion in 2020 and was expected to reach over R43 billion in two years from 2020 (BusinessTech 2021). Most of the respondents in this study (37.3%) estimated the annual cost to be between R10 billion and R50 billion, which was quite accurate as to what it turned out to amount to.

CONCLUSION

Students won their #FeesMustFall battle as free higher education was announced for students from poor and working-class families to ease the inequality of access to higher education (Africa Check 2016). Various parties, including the Heher Commission, economists, universities and higher education policy experts, however, warned that South Africa did, and still does, not have adequate funds to provide fee-free higher education. The decision towards free higher education for many was eventually made – mainly to satisfy political pressure and

demanding students (Wangenge-Ouma and Carpentier 2018). While it might be an important step to break the cycle of inequality, poverty and unemployment (Eyewitness News 2018), it is imperative to consider whether the South African government has sufficient funding to sustain this decision.

The 2015 #FeesMustFall protests in South Africa have shed light on the higher education funding crisis in South Africa (Wangenge-Ouma 2021). Yet, some years since these protests, it seems that South Africa is still far from achieving its goal, namely to provide free and equal higher education to all (Gqubule 2021).

All things considered; it is evident that the decision to provide free higher education has created a challenging affordability crisis for the South African government. It thus seems vital to develop an affordable, sustainable funding system that enables access and success for students. A relook at the recommendations made by the Heher commission regarding free higher education may be an option. As an alternative to the current system, an income-contingent loan system could be considered whereby a loan is provided with repayments that align with students' earnings.

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