

STUDENTS

Plan to produce graduates must ensure they find jobs



NOMALANGA MKHIZE

Hours before Pravin Gordhan delivered his 2017 budget, unemployed graduates staged #HireAGraduate demonstrations in the rural town of Alice in the Eastern Cape to draw attention to the lack of job opportunities after leaving university.

Yet as these unemployed graduates alerted us to their struggle, the pressures for universities to take on more students continues to be felt as a result of recent fees protests.

What these two realities tell us is that SA faces a dual problem where its system of education and training is concerned;

we may be facing diminishing capacity to absorb certain kinds of graduates into the labour market even as the fiscus faces rising cost pressures to provide more access to education.

This poses a conundrum for Gordhan. He needs to fund the tertiary system so it can produce more taxpayers, but with overall economic growth over the next few years projected at 1.1%-1.5%, the possibility of rapid and expansive job creation to absorb tens of thousands of graduates seems unlikely.

We need to recognise that the demonstrators are the canary in the mine as far as the true state of our economy is concerned.

However, with his usual optimism, Gordhan stated that “as the economy grows, we will be able to do more to finance an expansion in tertiary education opportunities and improvements in student funding”.

This optimism seems like magical thinking when the 2017 Budget Review projects university enrolment to increase from 1-million to 1.1-million while there is no compelling strategy to sort out SA’s low-growth problem. And yet our Treasury tells us that “The National Development Plan recognises that SA needs high-quality education and training to build a skilled and capable workforce to sup-

port inclusive growth.”

There is a kind of tautology implied in Treasury’s reasoning – clearly we cannot afford the education and training that is supposed to produce the graduates, many of whom will increasingly face labour market uncertainty. Undoubtedly, the current Treasury leadership is attempting an incredibly delicate balance between financing these ballooning priorities, while “ensuring the long-term health of the public finances”.

It is laudable that the household income threshold to qualify for the National Student Financial Aid Scheme (NSFAS) was raised to R600,000, thus allow-

ing a substantial portion of struggling middle-income students to access low-interest financing. But no amount of delicate accounting is going to resolve the higher education runaway funding need, unless the revenue collection and funding model for higher education is redesigned. In other words, expanding access to the NSFAS is not a sustainable solution in and of itself if recouping the debts proves difficult in this economic climate.

Contrary to the minister’s optimism, expanding NSFAS credit lines with the existing fee structure and growth-driven university financing model is

untenable. The unavoidable reality is that alongside resolving the fees problem the higher education system needs a redesign. This includes creating flexibility between certificate, diploma and degree programmes as well as sharpening our curriculums to produce graduates who have the resilience and creative capacities to navigate this wobbly economic context.

While the decolonisation debate has dominated the question of the future of our education system, beneath that is a problem of future macroeconomic sustainability.

Our universities must produce graduates who can sustain

themselves, and we must build the kind of economy that can sustain the fiscus so that it can, in return, sustain the tertiary sector.

The findings of the Heher fees commission cannot come soon enough and innovative curriculum structuring and design is going to be imperative. The million dollar question is what kind of graduate a university must produce in a low-growth economy and highly unequal society in which labour market precariousness is the reality.

● Mkhize lectures in history at the Nelson Mandela Metropolitan University