

<b>MEDIA RELEASE</b>	PSA demands urgent intervention in NSFAS payment crisis affecting students
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<b>EMBARGO</b>	None
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The Public Servants Association (PSA), as an active Union in the Department of Higher Education and Training (DHET), is dismayed by the non-payment of tuition and accommodation fees for approximately 720 000 students at universities and Technical and Vocational Education and Training colleges dependent on the National Student Financial Aid Scheme (NSFAS).

The ongoing crisis has left vulnerable students in distress, unable to access their academic results or continue their studies, with some even contemplating abandoning their studies. It is unacceptable that institutions of higher learning are withholding students' results owing to unpaid fees, preventing them from progressing academically and securing employment or experiential training opportunities. The PSA condemns this dire situation, which has escalated into a national education crisis.

The PSA urges the Minister of Higher Education to take immediate action and instruct the NSFAS to expedite outstanding tuition and accommodation payments. The failure of NSFAS to maintain an efficient payment system has led to financial instability across institutions, placing immense pressure on students and their families. The PSA demands that government reconsiders the role of NSFAS as a middle entity and instead implement a system where funds are paid directly to institutions and service providers. NSFAS has proven to be overwhelmed by the responsibility of administering payments, and a direct-payment model will ensure greater efficiency and accountability.

The PSA further urges government to remove austerity measures that negatively impact student funding. Budget cuts in government spending have contributed significantly to the funding crisis faced by many institutions, making higher education increasingly inaccessible for students from poor and working-class backgrounds. With the rising cost of living and high unemployment rates, most South African families cannot afford university tuition out of pocket. The PSA also calls on institutions of higher learning to improve enrolment processes to ensure better administration and financial planning. The PSA urges the Minister of Higher Education to honour the commitment made to student formations by standardising study allowances and implementing a 4% increase in the 2025 financial year to help students cope with rising socio-economic challenges.

The PSA emphasises that access to higher education is a fundamental right and must be prioritised to promote skills development and economic growth. The ongoing crisis must be addressed as a matter of urgency to prevent further disruptions and long-term damage to South Africa's education sector.

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