



# Student Funding Gap in SA “The Missing Middle”

**Keshnie Hussain**  
**Standard Bank South Africa**



# Content

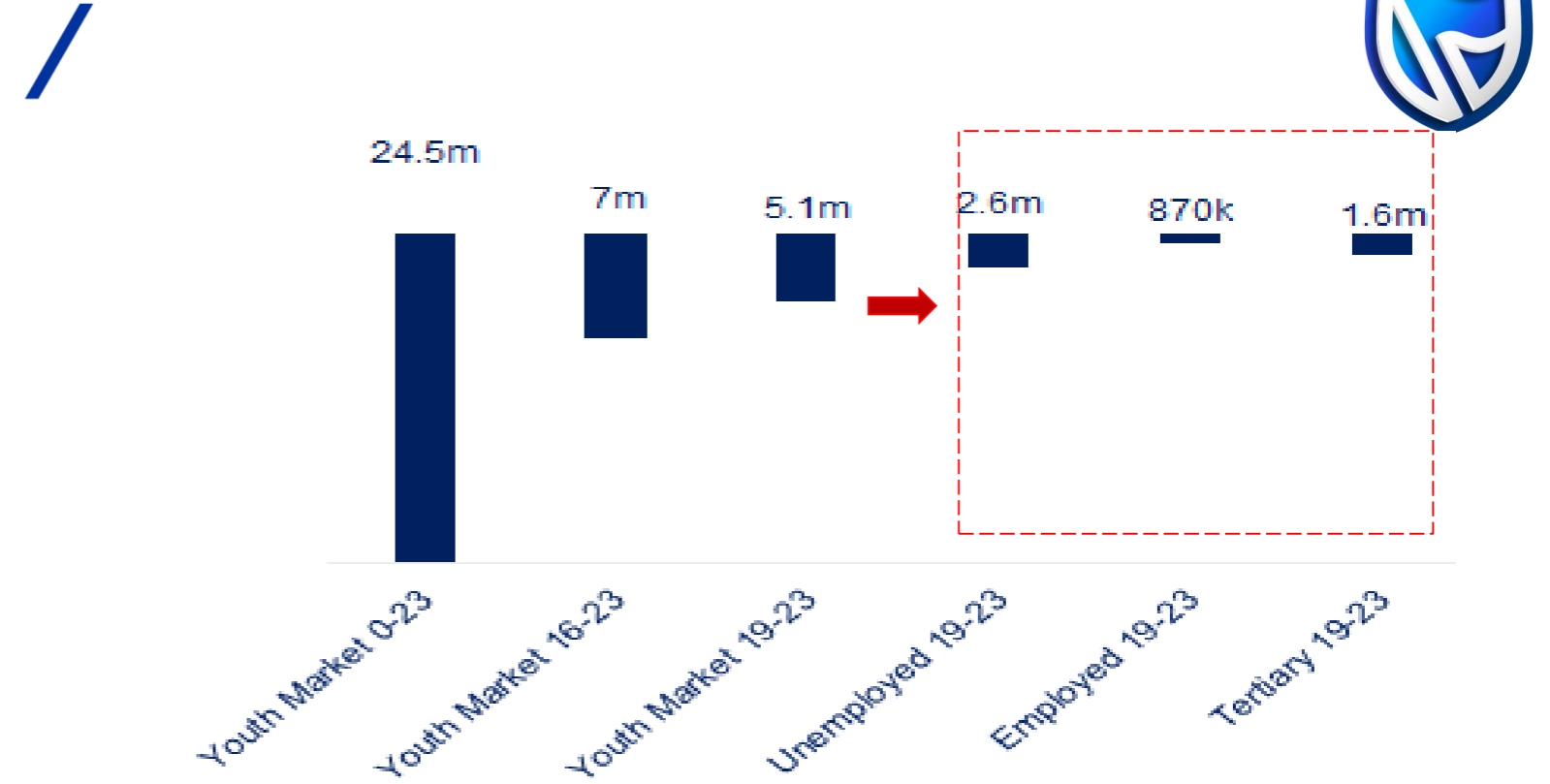
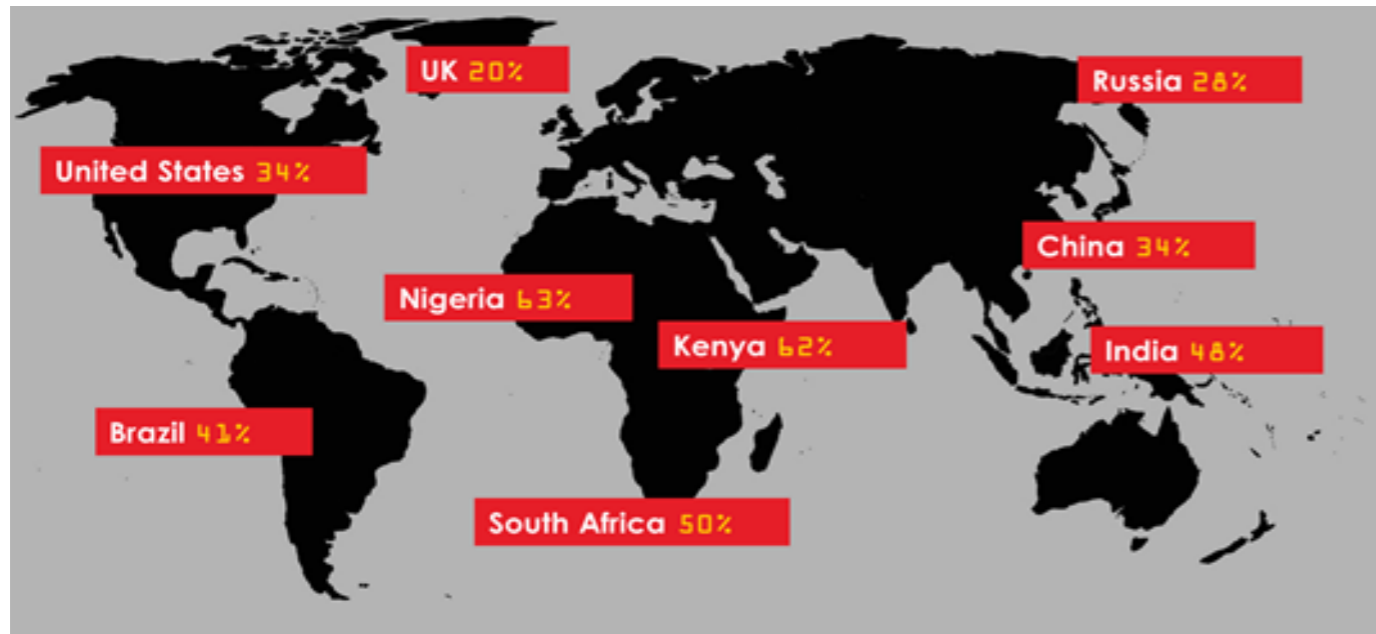
1. Youth Outlook

2. Decoding the “Missing Middle”

3. Our Response



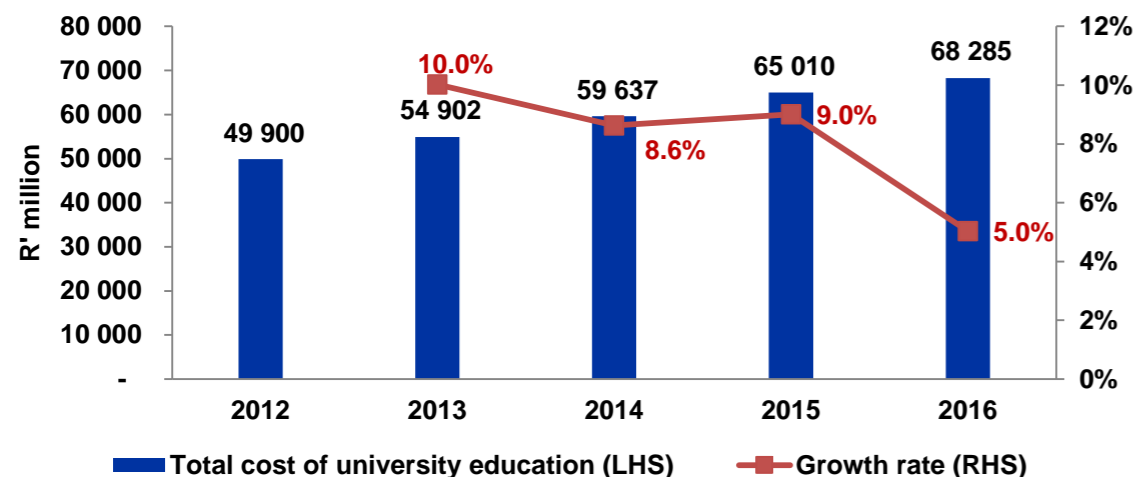
# Youth Outlook



- Half the population in SA is under the age of 23 years
- Over 60% of SA youth are unemployed
- Total of 1.6mil students in Tertiary institution (1mil at universities)

## #ResolveToday4Tomorrow

# Decoding the Missing Middle



- The cost of university education at a national level has increase from approximately R 49.9bn in 2012 to an estimated R 68.3bn in 2016.
- 2016 growth is at 5% due to 0% increase in fees
- Large portion of the universities Revenue comes from the Government (41%) followed by tuition fees paid by students (Cash, NSFAS, Bursaries, Bank Loans etc)
- Estimated tuition fees outstanding by 2015 Dec is R4bn
  - NSFAS funding gap – Partially funded students
  - Missing Middle – Too rich for NSFAS too Poor for a Student Loan
- 2016 NSFAS allocation was ~R14.6bn
  - R2.5bn is allocated to pay for 2013, 2014 and 2015 debt due to NSFAS funding gap
- Missing Middle carried forward to 2016 is R1.5bn
- 2016 Student debt is estimated at R600mil, therefore total Missing Middle for 2016 is estimated at ~R2.1bn

**Ensure inclusivity of those currently excluded by existing funding structures**

Revenue component	Value (R' mil) 2016	Proportion (%)
Government grants	R27 965	41%
Tuition fees	R20 258	30%
Third stream	R20 062	29%
Total	R68 285	100%

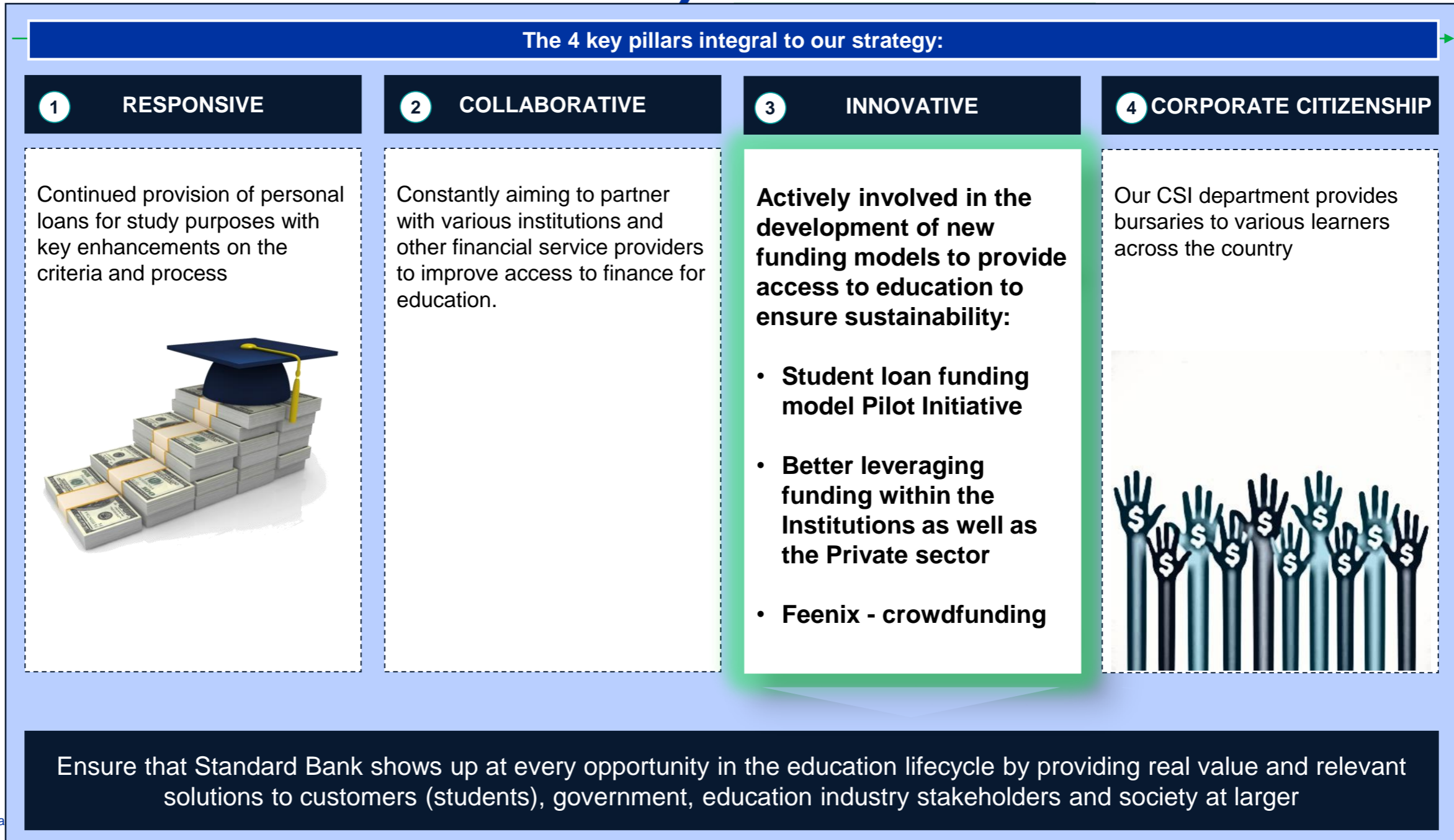
Source of funding for tuition fees	Value (R' mil) 2016
Paid by students' own funding, bursaries, bank loans etc.	R6 162
Made available by NSFAS	R12 039
Missing middle	R2 057
Total	R20 258





Strategic Imperative:

To finance, support and provide access to education as part of our commitment to being a good corporate citizen





# Thank You

Standard Bank Moving Forward™

5 Simmonds Street Johannesburg 2001 / P O Box 7725 Johannesburg 2000  
Tel +27 (0)11 636 9112 / Fax +27 (0)11 636 6299 / Mobile +27 (0)00 000 000  
[standardbank.com](http://standardbank.com)