

High cost of tertiary education in SA

Cash-strapped parents are turning to financial institutions to get study loans so that their children can go to university as the costs for tertiary education continue to rise sharply

At the University of Pretoria, a three-year undergraduate Bachelor of Administration (international relations) degree costs R74,860, a Bachelor of Arts (law) degree R71,320 and a Bachelor of Information Science degree R79,570.

This year already Eduloan has received 2,500 applications for study loans totalling about R23m. So far, 1500 applications to the value of R7m have been approved, while 825 applications to the value of R8.3m are being assessed.

Eduloan spokesman Warren Hero said the total value of study loans for 2011 and 2012 was R360m and R365m respectively.

"Loans can only be granted to an employed person, so a student that needs a loan will need someone who is employed to apply on his or her behalf," he said.

Hero said many applications were declined because of adverse credit records.

According to University of Pretoria spokesman Nicolize Mulder, it provided R631m in financial aid, bursaries to the value of more than R422m and study loans to the value of more than R208m. These loans included more than R137m from the state-administered National Student Financial Aid Scheme.

"Loans are awarded to students who are financially needy," said Mulder.

A BA degree costs R24,000 a year at the University of Johannesburg; R34,000 at the University of Cape Town and R59,000 at Monash University, South Africa.

The Department of Higher Education said it had increased the National Student Financial Aid Scheme allocation to tertiary institutions from R2bn in 2008 to R7bn last year and 991,759 students had benefited from R25bn in loans and bursaries between 1991 and 2011.

Source: *The Times* via I-Net Bridge

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