

# How to ensure students pass

## Ring Fence Funds for textbooks

It is no secret that most academic institutions in South Africa are struggling with high failure and drop-out rates. Last year, only 14% of students who entered tertiary education six years previously, finished their studies.

The National Students Financial Aid Scheme is a great asset to the future of our country, ensuring access to tertiary education for many thousands of students whose families cannot afford it. Sadly, the drop-out rate amongst NSFAS funded students is approximately 72%. The consequences are devastating for these students; the economy - which desperately requires skilled graduates - and also NSFAS, as students who do not get jobs in their fields of study cannot pay back their loans.

Booksellers and publishers are conventionally seen as mere suppliers, rather than stakeholders playing a meaningful role in education delivery. However, our objective is fully aligned with the objective of the NSFAS Ministerial Review Committee: to “produce graduates with the qualifications and skills required to build our developmental state”<sup>[i]</sup>. Book retailers suffer from the same skills shortages as other industries. We acknowledge that a thriving knowledge economy is beneficial not only to the transformation of the country at large, but also to the sustainability of our industry.

Of course, booksellers have a vested interest in ensuring appropriate funds are allocated for textbooks, but we are also entirely convinced that it is critical for students to own their own books. Lecturers believe that owning the prescribed textbooks is the second most important factor in ensuring student success, after attending lectures, and international research shows that 78% of student who do not procure their texts believe that their results will be worse than those who do. Students without access to textbooks are also known to struggle with understanding concepts and terminology, and have difficulty moving towards the higher-level



analysis and interpretation required at graduate level.

One of the goals of NSFAS is to ensure that the funds it allocates are distributed effectively. There is sufficient evidence that a policy for ring-fencing funds for textbooks would ensure that NSFAS beneficiaries have the books they require, and therefore the best chance of academic success.

While ring fencing does occur, it is not always consistent or specific enough — or there simply is not enough money available. In many instances much is left to the students’ discretion. We know that when given discretion, a large number of students choose to forgo textbooks.

Students cite affordability as the main reason for not purchasing books. However, while we know that students struggle financially, this battle cry is often picked up from the American experience, where textbooks account for between 26% and 72% of tuition fees<sup>[ii]</sup>. In South Africa, textbooks are deliberately kept as affordable as possible. Retailer margins are low and the cost of textbooks in relation to course fees is lower than in the US, ranging from between 10% and 20%, depending on the institution.

More important to note is that in the past, lower-quintile schools have not had access to adequate textbooks, or the practice of effective textbook usage. The culture of textbook usage is therefore not prioritised amongst NSFAS beneficiaries, most of whom come from poorer homes.

We could therefore hypothesise that

the NSFAS beneficiary is particularly vulnerable in that he or she is less likely to see the value in textbooks than other students, and will be less likely to buy them if given the choice. Industry evidence suggests that on average 50% of students buy new prescribed texts. It is most likely the poorer student who is not doing so.

Anecdotally, retailers’ collective experience bears this out: at those institutions where textbook allocations have been reduced, or a cash allocation has been made to students, we have seen a large drop in textbook sales, which cannot be compensated for fully from the second-hand market. We have to conclude that these students are choosing to go without books. Likewise, we have witnessed the cash spent on alternatives such as air-time and other consumables.

The cost of kitting a student out fully with new, prescribed textbooks differs from course to course, but the range is from R3000 to R6000. We would strongly recommend specifically ring-fencing an amount for textbooks and administering these funds via service providers such as Eduloan or Intellicard, which have proven to be efficient, working in tandem with booksellers. This co-operation has been taking place, but it would be useful to have the support of policy in this regard, for better consistency.

We have come a long way in giving more students access to education by providing funding. However, if we are to give these students the best chance of success, they should have their studies funded fully, rather than spreading the money thinly amongst a greater number of beneficiaries, as happens at some universities. In addition, funding for textbooks should be ring fenced, to maximise students’ change of academic success.

If we do not ring-fence adequate funds for textbooks for NSFAS beneficiaries, we are likely to perpetuate the inequalities we seek to redress.

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[i] NSFAS Ministerial review Committee terms of reference 2009

[ii] Making College Textbooks more affordable: A report of the advisory committee on student financial assistance 2007 (US)