ADDRESS TO SAUS BY THE DPWI DM SIHLE ZIKALALA DURING THE NATIONAL STUDENT ACCOMMODATION SUMMIT, UKZN, 05 JULY 2026

Leadership of SAUS,

Ladies and Gentlemen,

OPENING: Dr. NTUTHUKO MAHLABA

It's a somber day in the history of our country and the University of KwaZulu-Natal with the news of the tragic passing away of Dr. Ntuthuko Mahlaba, a former student of this university.

During his second year at the medical school, Dr Mahlaba was elected President of the SRC, serving two terms from 2000 to 2005.

He will be remembered for his dedication to inclusive, quality education. Like the current leadership of SAUS, he fought for the expansion of student accommodation and courageously led campaigns against student exclusions.

We convey our deepest sympathies to his family and loved ones.

May we rise and observe a moment of silence in his memory.

A NOTE ON SAUS

On behalf of my organisation (the ANC) where Dr Mahlaba cut his political teeth and the Department of Public Works and Infrastructure where I serve as the Deputy Minister, we convey a deep sense of gratitude to the leadership of the South African Union of Students (SAUS) for inviting our participation at this 2026 Summit.

We are humbled and proud to be associated with SAUS. Since its formation twenty years ago in 2006, it came to be known as the primary and legitimate voice for students at our universities and TVET colleges, driving access and championing the rights, dignity, and fair funding for poor and working-class students.

We acknowledge and honour your transformation campaigns and programmes which for two decades have pushed for policy reforms in higher education, improved NSFAS management, postgraduate funding, and student accommodation.

It is SAUS that has campaigned against financial barriers that impede registration and historical debt.

Last year, it was SAUS that correctly opposed the blacklisting of students who owe universities, reminding everyone that education is not a privilege; and that the struggle for quality fee-free quality education is as relevant as when our forebears declared in the Freedom Charter that ***the Doors of Learning and Culture Shall Be Open***.

Today, we are heartened to see this progressve organization creating awareness against gambling, substance abuse, and promoting healthy lifestyles.

Since 1994, we have been opening the doors of learning and culture for the children of the working class, expanding healthcare services to the poor, providing homes for the needy, and offering state grants to the cushion the vulnerable, elderly, and the disabled.

Along the way to expand the frontiers of freedom, we have encountered resistance, made mistakes, but we remain steadfast to address these challenges.

OPENING THE DOORS OF LEARNING AND CUSHIONING THE POOR

Compatriots, the historical record is there for those who are honest about our journey since our democratic breakthrough:

Before 1994

(i) Only 20% of adults matriculated –the highest was 72% for white men, and the lowest 18% for African women
(ii) 50 % of African women and 44% of Coloured women only had primary school education. Men were only slightly better
(iii) Only 5% studied at university or college.
(iv) Poor children struggled to get access to high school

Today

(i) No less than 67% of all learners get free schooling.
(ii) Approximately12 million out of 13 million children attend 23 000 government schools.
(iii) About 50% of all youth get matric, and more girls than boys pass matric.
(iv) About 15% of adults have studied further at universities or colleges.
(v) 90% of children are still in school after age 16.
(vi) 75% of learners get a free meal at school.

Before 1994

(i) Most students' parents paid their fees, or students had to borrow money.
(ii) **In 1994, there were only about 150 000 tertiary students in SA**.

Today:

(i) **About 2-million young people** are now studying at TVET colleges and universities.
(ii) There are about ten times as many black students at universities as in 1994, and the government pays most of their fees and other costs.
(iii) Between 2019 and 2024, the NSFAS budget increased **from R15 billion to R40 billion** to support poor and middle-class students
(iv) The National Student Financial Aid Scheme (NSFAS) was allocated a budget of **R54.3 billion for the 2026-2027 academic year to fund over 740,000** eligible students across universities and TVET colleges.

To improve education,

- Government runs about **23 000 government schools** and are training teachers, improving learning materials, building more schools and improving access to water, proper toilets and electricity at schools previously denied these services.
- No less than **67% of our government schools are no-fee schools**. We continue to expand **Grade R to two years** instead of one year.
- 99% of children who are 14 years and younger attend school – in 1994, it was only 51%.
- The matric pass rate has substantially improved from 50% in 1994.The Matric class of 2025 achieved 88% pass rate and it was for the first time, all nine provinces achieved pass rates exceeding 84%.

Cushioning the Poor against Poverty

South Africa is among a few countries worldwide that spend a high percentage on social services.

Over **25 million people receive social grants.**

These grants and basic services are meant to break the cycle of poverty by ensuring that people can meet their most basic needs like food, shelter, water, sanitation, health care and education.

About **R1.2 trillion (60% of our budget)** is paid for subsidising and providing for the needs of poor people.

The government budget for education, health, grants, safety, and basic services works out to about **R12 000 per month per poor household**.

THE MINISTER OF HIGHER EDUCATION ON STUDENT ACCOMODATION

Addressing this Summit, the Minister of Higher Education was correct in his articulation that, "*Today, the student accommodation challenge is not only about the shortage of beds. It is also about governance, funding, payment delays, regulation, accreditation, affordability, safety and institutional coordination*."

Trust me, as government, we are paying attention to the legitimate accommodation concerns raised by SAUS.

We agree with Minister Buti Manamela that SAUS is raising "*legitimate concerns about delayed payments to accredited providers, threats of eviction, unbudgeted top-up fees, historical accommodation-related debt, accreditation delays, unsafe accommodation and weak enforcement of standards*."

BRINGING IT BACK HOME: DPWI, ISA, AND DBSA ON STUDENT ACCOMODATION

Context and Rationale

Ladies and Gentlemen, infrastructure is not only about physical roads, bridges and buildings; it is about the opportunities that are enabled through their development. In Higher Education, student accommodation is one of the most strategic forms of social infrastructure because it directly influences student success, economic participation and long-term national development.

South Africa continues to face a significant student accommodation shortage that undermines equity and access to higher education. The structural deficit amounts to a shortage of hundreds of thousands of beds nationwide.

Industry bodies and Higher Education analysts indicate that there is roughly only one bed available for every 3.3 tertiary students in South Africa.

Students from rural and working-class communities are disproportionately affected by inadequate housing, unsafe living conditions and long commuting distances.

Research from CPUT shows that students in campus accommodation achieved an average pass rate of 83.4%, compared with 77.4% for commuter students.

Student Accommodation and the Strategic Integrated Projects (SIPs)

The historic Strategic Integrated Project (SIP) 14 gazetted by our entity ISA recognised educational infrastructure, including lecture rooms and laboratories, as well as student accommodation as a strategic national infrastructure priority.

SIP 34, the Student Accommodation Programme, was formally gazetted in July 2020 in terms of the Infrastructure Development Act 23 of 2014.

The Student Accommodation Programme consists of projects funded under the SHIP Programme, supported by the DBSA, as well as other DHET priority pipeline projects.

The programme aims to deliver by 20230 approximately 300,000 student beds across public universities and TVET colleges.

Phase 1 has delivered over 12,219 beds, created approximately 3000 employment opportunities and mobilised around R3.5 billion in investment to date.

There are currently around 4,000 beds under construction: 1,000 beds for Phase 1 and 3,000 beds for Phase 2.

Phase 2 targets nearly 24,400 additional beds, supported by investment estimated at R7.2 billion.

Phase 3 envisages approximately 45,000 more beds.

<u>Showcase projects</u>:

- University of Fort Hare: 1,427 beds.
- University of the Western Cape: 2,720-bed precinct.

- North-West University Mahikeng: 1,728 beds.
- Nelson Mandela University: 2,000 beds.
- Vaal University of Technology: 1,836 beds.

The Future of Student Accommodation

1. Smart and Connected Infrastructure

High-speed broadband is now a basic educational utility, and future residences should support hybrid learning and digital collaboration.

Residences should function as learning environments with integrated study spaces.

2. Climate-Resilient and Sustainable Infrastructure

Future accommodation should incorporate solar energy, rainwater harvesting and energy-efficient design, while integrating resilience against energy and water shortages.

A reduced environmental footprint, with a focus on sustainability, will also reduce long-term financial and environmental costs.

3. Public-Private Partnerships and Innovative Financing

The SHIP Programme demonstrates the tangible potential of blended finance by mobilising public and private capital for student accommodation projects.

It shows that government grants can leverage private sector investment and that DBOM models can improve lifecycle management and quality.

4. Infrastructure as a Driver of Inclusive Economic Growth

Student accommodation development creates jobs and SMME opportunities in both construction and operations.

Infrastructure investment supports transformation and local economic growth, not only through construction and operational impacts, but also through improved educational outcomes.

The accommodation challenge is particularly severe in the TVET sector, where many colleges were designed without residential infrastructure.

Future investment should prioritise rural institutions and centres of specialisation.

REPURPOSING THE STATE PROPERTY PORTFOLIO TO ADDRESS STUDENT ACCOMMODATION

Ladies and Gentlemen, As DPWI, we view state properties to be more than physical assets; they embody the potential for economic growth and socio-economic transformation.

The **Department owns about**:

- 29 955 land parcels (4.7 million hectares of land) on which some 80 630 facilities stand.
- Approximately 25% (7 803) of the land parcels are stand-alone and unutilized.

The Department has adopted the **Asset Optimisation Strategy** to attract direct private sector investment, projected over **R10 billion** during the 7th Administration within the State Property Portfolio.

The Property Management Trading Entity (PMTE) in our Department is leading efforts aimed at optimising the state's property business through Public-Private Partnerships (PPPs) that will include models like ROT and BOT.

The roll-out of the ROT programme is focusing on the unutilized or under-utilized commercial buildings or land, and the resuscitatation of CBDs.

We want to see transformation enhance economic participation of emerging property developers and address critical issues like hijacked buildings, refurbishment programs, and energy-saving initiatives.

We are adamant that BBBEE initiatives must play a crucial role in the refurbishment and revitalization of these buildings which will enhance the living conditions of residents, stimulate local economies, and create jobs.

We want to see a rejuvenation of neighbourhoods, scaling up of urban renewal, and the creation of opportunities for local entrepreneurs, workers, youth and women-owned enterprises.

Compatriots, thirty years into freedom and democracy, we see that apartheid policies limited the participation of the majority of South Africans in the property space.

With ongoing, persistent resistance to transformation, we are aware that access to finance remains the biggest impediment faced by young, black, emerging entrants in the property industry.

The ANC within the GNU continues to fight for the transformation of the South African financial and property sectors.

We are determined to:

a) Direct financial institutions invest a portion of their funds in infrastructure development through prescribed assets.

b) Establish a public **sovereign wealth fund** as a social wealth investment fund that prioritise public benefit through targeted investments in social programmes and infrastructure.
c) Create **development and sectoral banks** focused on specific sectors aligned with industrial policy goals and **building a public retail banking system** to directly serve the people's needs.
d) Empower **provinces to establish their own financial institutions**.
e) **Empower cooperative banks** by removing regulatory barriers to entry and support the growth of cooperative banks.
f) Ensure **development finance institutions are well-capitalised** to provide concessional lending to small enterprises and social enterprises.

3D printing is an important technology to be considered by young property developers as it allows businesses to develop models and prototypes in order to construct cheaper student accommodation faster which can help us address the student accommodation backlog.

We look to young people at our universities and TVETs, especially those studying property development, to work with government in reclaiming its hijacked buildings and to repurpose these for socio-economic development.

It is this current generation that must refuse to sit on the fringes of such a lucrative property sector while black people are the majority.

From a history of asset poverty and land dispossession, today's black youth and black women must be at the forefront of the property sector.

DPWI must continue to release land to support socio-economic development, land reform, and sustainable human settlements.

We appeal to young people and their leaders at our universities and TVET colleges to remain ethical. Join the crucial fight against corruption, including collusion and fronting.

CONCLUSION: A CALL TO ACTION

Throughout history, young people have been agents of change.

We encourage you again to rise up, claim your space, and direct the future of this country.

The many opportunities available for young people will not come to you automatically, especially if you are not organized.

We recall the words of OR Tambo to the youth of this country in his January 8th Statement in 1985:

"The student and working youth of our country have once more confirmed their place in our hearts as the pride of the nation. These relentless fighters for a South Africa that we can proudly call our own have, throughout this past year, swelled the ranks of the mass movement by joining the struggle in hundreds of thousands. Despite the campaign of murder and terror unleashed by the racists against them, including the very young, they have stood firm in their demands. They have refused to break from the ranks of the

struggling masses. In saluting our students and working youth, we can truly say that they have earned for themselves the honour of being called the Young Lions."

Fifty years ago, organised and determined young people changed the course of history on 16 June 1976.

We call on the youth again to be at the forefront of shaping government policy just as you are doing through this Summit which seeks to resolve the accommodation challenge facing students.

As we take a leaf through the pages of history, we recall that 82 **years ago, in 1944,** a 32-year Walter Sisulu, alongside O R Tambo, Nelson Mandela, Anton Lembede, and AP Mda were elected into the ANC Youth League.

In 1949, Walter Sisulu closed his estate agency business to become the first full time Secretary-General of the ANC. Thanks to his wife, comrade, and nurse, mama Albertina Sisulu, who took care of the family because Xhamela would go for many months without drawing a salary from the ANC.

It was Sisulu and his generation in the youth league who proclaimed, "**Freedom in Our Lifetime**."

Today, organisations like SAUS should fight not just for decent accommodation for SA students, but for the participation of the youth in the rewarding multi-billion Rand real estate and property business. Today's youth must give meaning to the rallying call of, "**Economic Freedom in Our Lifetime**!"

Allow me to conclude with these words from Walter Sisulu when he paid tribute to Anton Muziwakhe Lembede, the first President of the ANC Youth League.

For Sisulu, Lembede's message to today's youth is clear: "*it is the youth who have the capacity to renew the struggle, which today continues in a new form. It is the critical gaze of the youth who play the time honoured role of re-examining the status quo, sometimes to the discomfort of the 'old guard."*

So, be courageous and do not betray your generational mission of renewing the struggle and developing our country.

We look forward to receiving your Summit Resolutions.

Those travelling, please be safe on the roads.

I thank you!