



YCLSA

THE YOUNG COMMUNIST LEAGUE
OF SOUTH AFRICA

110 Jorrissen Street, 4th Floor, COSATU House, Braamfontein, Johannesburg
Tel: 011 339 3621 | Fax: 011 339 4244 | yclsahqheadquarters@gmail.com

MEDIA STATEMENT

10 OCTOBER 2026

STUDENT DEBT: NO SOLUTIONS WITHOUT SYSTEMIC CHANGE

The Young Communist League of South Africa (YCLSA) welcomes the decision by BANKSETA, the Banking Sector Education and Training Authority, to clear the outstanding debt of 253 Students at the Central University of Technology (CUT), representing R13.9 million in debt relief. This is a progressive and well-intentioned intervention that will materially improve the lives of the Students concerned.

However, the YCLSA maintains that the Student debt crisis cannot be resolved through isolated interventions alone. While we welcome measures that alleviate the immediate financial burdens facing Students, we must interrogate the roots of the crisis. We cannot admire individual flowers and assume that the tree is healthy while neglecting its roots.

The Student Debt Crisis as the Product of a Neo-liberal System

The Freedom Charter proclaimed that “the doors of learning and culture shall be opened to all!”

This commitment reflects a vision of a society in which public institutions serve the interests of the People rather than the imperatives of the market. Yet, more than seven decades after the adoption of the Charter, access to higher education remains profoundly shaped by class inequality, financial exclusion and the commodification of learning. Higher education increasingly reproduces the socioeconomic hierarchy of society, restricting access for working-class Students while supplying skilled labour to an economy in which their labour is exploited and their livelihoods remain precarious.

Higher education increasingly operates within a neo-liberal economic order that subordinates the public good to market imperatives. Through commercialised institutional priorities, market-oriented governance and curricula increasingly shaped by the demands of capital, education risks becoming less an instrument of social emancipation than a mechanism for reproducing existing socioeconomic hierarchies. University and college councils are not immune to these pressures, as the influence of business interests and private donors subordinate the educational needs of the People to the priorities of the market.

Within this arrangement, the working class is promised social mobility through education while being confronted with the very material barriers that prevent its children from accessing and completing their studies. Higher education consequently becomes a mechanism for the reproduction of class relations,

supplying skilled labour to an economy in which unemployment and precarious work sustain a reserve army of labour, undermining workers' bargaining power and reinforcing their exploitation.

Access to higher education is thus increasingly dictated by one's capacity to pay. Registration fees, rising tuition costs, unaffordable accommodation and the escalating cost of food expose the contradictions of a system that treats Students as consumers and labour-in-training.

Student debt is one of the clearest manifestations of this contradiction. Rather than guaranteeing education as a social right, the system makes access to learning conditional upon financial capacity, transferring the burden of educational costs onto Students and their families. According to figures presented to Parliament in May 2026, outstanding Student debt across the post-school education system stood at approximately R59 billion.

If you cannot pay, you can't learn.

BANKSETA's Intervention: Relief for Graduates, but Not a Systemic Solution

The YCLSA recognises the significance of the recent partnership between BANKSETA and CUT, through which R13.9 million in historical Student debt was settled, benefiting 253 graduates. These graduates had fulfilled their academic requirements but remained unable to access their qualifications because of outstanding financial obligations. The intervention has enabled them to obtain their qualifications and pursue employment and further professional opportunities.

The YCLSA welcomes this intervention as a material improvement in the lives of the graduates concerned. No Student should be prevented from realising the fruits of their academic labour because of an inability to settle outstanding fees. The fact that these graduates could complete their studies yet remain unable to access their qualifications exposes the contradiction at the heart of a system that formally recognises academic achievement while allowing financial indebtedness to obstruct its practical value. However, we must ask why such interventions are necessary in the first place.

Why should graduates who have fulfilled their academic requirements depend on exceptional funding arrangements to access qualifications they have already earned?

Why should the ability to enter the workforce, pursue further study and improve one's material circumstances remain conditional upon the settlement of historical debt?

These questions expose the limitations of treating Student debt as a series of isolated financial cases rather than a systemic crisis rooted in the commodification of higher education. While BANKSETA's intervention provides meaningful relief to the beneficiaries, it does not, by itself, dismantle the structural conditions that produce Student debt and financial exclusion across the post-school education system.

The YCLSA therefore maintains that debt relief must form part of a broader transformation of higher education. Public funding must be strengthened, financial exclusion must be addressed, and access to quality education must progressively be secured as a social right rather than a privilege mediated by one's capacity to pay.

We cannot continue to celebrate individual escapes from a system that systematically reproduces financial barriers to education. The task before us is not merely to clear the debts of those who have already fallen victim to these barriers, but to transform the conditions that create them in the first place.

A Way Forward: Immediate Relief and the Transformation of Higher Education

The YCLSA believes that addressing the Student debt crisis requires immediate intervention alongside a fundamental transformation of the higher education system. We cannot allow another generation of young

People to be denied their qualifications, excluded from registration or burdened with debt because of their families' inability to pay. However, neither can we mistake the management of existing debt for a solution to the conditions that continue to produce it.

In this regard, the YCLSA recognises proposals advanced by the broader Student movement, including the South African Students Congress (SASCO), such as the use of institutional reserves to address outstanding Student debt, the expansion of financial assistance for poor and working-class Students, a halt to fee increases and an end to the withholding of academic results and qualifications because of outstanding fees. Many Student Representative Councils led by the Progressive Youth Alliance (PYA) have fought and won the right of Students to access their marks and academic records regardless of their financial status. This is a programme to which we remain committed. Universities must also account for how their available financial resources can be mobilised to alleviate Student debt, particularly where institutional reserves can be utilised without undermining the long-term sustainability of institutions.

We further recognise the proposed Student Debt Relief Bill, 2025, which seeks to establish a fund through which qualifying Students could receive assistance in settling their outstanding university debt. Such legislative measures reflect the urgency of the crisis and the need to ensure that historical debt does not permanently prevent young people from accessing qualifications they have earned. However, while the YCLSA recognises the importance of legislative intervention, we do not believe that transferring the burden of university debt onto the taxpayer should become the primary response to the crisis. Public resources must be used to expand access to education, strengthen public institutions and prevent the continued accumulation of Student debt, rather than simply settling liabilities produced by the existing system after the damage has already been done.

The YCLSA therefore calls for an immediate and comprehensive programme to address historical Student debt, with particular attention to unemployed graduates, poor and working-class Students, and those who have completed their studies but remain unable to access their qualifications. This programme must draw on available institutional resources, strengthen public funding and establish fair and transparent criteria for debt relief.

However, these interventions, necessary as they are, cannot constitute the limits of our ambition. The fundamental question is not merely how we settle Student debt, but why access to higher education is organised in a manner that allows such debt to accumulate in the first place.

The YCLSA calls for a decisive shift away from a market-driven model of higher education towards a developmental model that places the needs of the People at its centre. Education must not be treated primarily as a commodity purchased by individuals, nor should the future of our youth depend on their ability to accumulate debt. It must be understood as a public good that enables People to improve their lives, develop their abilities and contribute to the advancement of society.

A developmental higher education system must produce the skills and knowledge required to improve the lives of our People and strengthen the capacity of the State. Universities and TVET colleges must therefore be oriented towards the developmental needs of society, producing the teachers, scientists, healthcare workers, engineers, artisans and other skilled workers needed to build our country.

The YCLSA consequently calls for a fundamental shift away from a market-driven higher education system towards a publicly funded, developmental system that guarantees access to quality education for the poor and working class, protects Students from financial exclusion and strengthens the capacity of our public institutions.

We cannot build a developmental state while treating education as an individual financial burden. The struggle against Student debt must therefore be part of the broader struggle to transform higher education from a commodity into a public good that enables young People to improve their lives and contribute to the development of our country.

We cannot keep admiring individual flowers whilst the roots are rotting. Our objective cannot simply be to clear the debts produced by the existing system, but to change the system that produces the debt.

ISSUED BY

Interim National Secretary | Cde Jan Nabane | 071 491 3834
MEDIA INQUIRIES: Dineo Mokoena | Media Liaison Officer | 073 969 8532
Facebook: YCLSA (uFasimba) | TikTok: @YCLSA_1922

