

MEDIA RELEASE PSA disturbed by online betting addiction amongst NSFAS beneficiaries: Calls for introduction of financial literacy at tertiary institutions

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The Public Servants Association (PSA) is alarmed by recent reports highlighting the misuse of National Student Financial Aid Scheme (NSFAS) funds by students for online betting, leading to addiction and mounting debt.

This disturbing trend undermines the purpose of the Scheme and threatens the academic future and mental well-being of thousands of young South Africans. The revelation that participation in gambling has doubled to 65.7% of adults since 2017 shows a serious need for intervention. The misuse of NSFAS money with the hope of getting rich through gambling is concerning.

The matter is exacerbated by the report by the Special Investigating Unit that over R2 billion in overpayments were made to higher education institutions and that approximately 40 000 students received incorrect payments between 2018 and 2021. There is clearly a systemic failure in financial oversight and accountability at the NSFAS.

The PSA urges the Department of Higher Education and the NSFAS to implement stricter financial controls to prevent irregular and excessive payments. Critically, financial literacy programmes should be introduced at tertiary institutions to promote responsible money management. There is a need to collaborate with regulatory bodies to restrict access to online gambling platforms using NSFAS disbursements. Psychosocial support must be provided to students struggling with gambling addiction and debt. Gambling institutions should participate in the process of addressing the scourge of gambling amongst students by funding programmes to assist addicted students. The PSA calls on all stakeholders, including universities, TVET colleges, student representative councils, and civil society, to cooperate in addressing this crisis.

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