The universities belong to the nation. Although they are situated in certain areas, and are therefore usually closely associated with those areas, they are, in activity and significance, by no means regional in scope, and extend far beyond the limits of the areas concerned. Universities probably also primarily serve certain communities in society, and some were actually originally founded to serve certain communities, but this does not change the basic fact that universities belong to the country as a whole and are called upon to serve the country in a national way.

In view of this it is fit and proper that universities are established by an act of the national legislature, and that, once established, they operate under the national government. Neither Provincial nor any other local agencies have authority over them, although it is quite understandable that they may enter into agreements with local authorities and, on a basis of partnership, accept certain responsibilities. However, this does not in any way infringe upon the basic concept that universities fall under the national legislature and the national executive.
From this it logically follows that universities have a direct interest in the policy of the law-maker and the relevant administrative procedures of those that carry out the law. The universities will be especially interested in the matter of the relationship between them and the State, and then again par excellence in the way this relationship finds expression in financial matters. Here we have a theme which figures prominently in the transactions of the State with the universities, and vice versa.

A degree ceremony like this is an occasion when the university as a national institution displays to the nation the results of its teaching, and to some extent also of its research. In a sense it is - to use a popular term - a "report-back meeting": the university informs the public of the way in which it has discharged its duties during a given period of time. At a degree ceremony attention is spontaneously directed to university matters; the university, as a national asset, is placed under scrutiny; and the policy of the State, especially as evinced by administrative measures, is put into perspective. It is in this spirit that I now propose to take a brief look at certain recent developments on the university scene.

The year 1975 is a year of special significance to universities in South Africa. It was in this year that Government and Parliament devoted attention to the findings and recommendations of the Van Wyk de Vries Commission, which had during a period of about five years conducted an inquiry into the affairs of white universities.
The terms of reference of the Commission were extremely wide and included all important aspects of university life. The result was that a voluminous report - or rather reports, seeing that there were also two interim documents - was brought out covering practically the whole spectrum of university activity. These reports will in time to come, no doubt, rank as important sources on the history of universities in South Africa.

It was my good fortune to serve on this Commission, and looking back on our travels, our listening to views, our interrogation of witnesses, and our weighing of evidence, I find that the crux of the problem we were considering lay in the matter of the financing of universities. As has happened all over the Western World, money has been losing its purchasing power so that gradually universities experienced a diminishing in the value of their funds and an ever increasing dependence on financial assistance from Government. Even the large old private universities of the United States, some with wonderful records of service, learning and excellence, ran into serious difficulties, and although they had once been regarded as over-endowed and extremely rich, they in many ways now became dependent on State and Federal help.

In South Africa the State has found it necessary to step in to a rapidly increasing degree so that - as the Commission concluded - the State is called upon not merely to assist universities, but in actual fact largely to finance them. This being the irresistible tendency of the West, and more particularly the result of
our democratic system of government, I cannot see that there is much we can do to arrest the process, i.e. if we did wish to arrest it, which candidly speaking many people are loath to do.

There is an aspect of this situation which is of compelling importance and should not be lost sight of: In view of their national importance universities may accept State money, and may readily do so, but university autonomy, which is a cherished, proven theorem of the West, must be maintained. An American University President once told me that he quite often went to his State legislature, but when he did so, he went with his cap down, and his guard up. This posture, to some extent at least, shows the right attitude of mind, but whether it will answer in the long run, is another matter!

The Van Wyk de Vries Commission found that the universities were badly in need of money and that it was up to the State to help them, even to finance them, without interference with their autonomy. But then it was essential for the State to be able to determine the relevant amounts on an equitable basis, and also to be assured that universities were using their funds in accordance with accepted procedures. I deliberately say procedures, and not aims, because aims are a university's own affair, so long as it remains within the limits laid down by its own act, its statute, and the joint statute of universities.

Briefly stated the problem boils down to this: How can the universities be helped, subsidised or financed, without resultant, undesirable checks on their autonomy?
This is, as everyone knows, a very old problem. The Holloway Commission, predecessor to the Van Wyk de Vries Commission, grappled with it twenty-five years earlier; and in other countries it has exercised the minds of experts on numerous occasions. In our South African situation and under the conditions obtaining at the time, the Holloway Commission did excellent work, especially in regard to the subsidy formula with which they came up. But there had been vast changes in the course of a quarter of a century, and on the tertiary education scene universities had doubled, trebled and even quadrupled in enrolment, staff and activity.

The Van Wyk de Vries Commission built gratefully and squarely on the foundations of its predecessor. It refined the subsidy formula in order to give universities more Lebensraum; it stated categorically the necessity of periodically reassessing all elements of the formula linked up with cost indices; it stated new views on interest and redemption relating to capital loans for buildings and equipment; it even envisaged, subject to certain provisos, 100% government subvention on buildings. The Commission also came up with a recommendation relating to a Universities Advisory Council, which it saw as a logical, mature successor to the old Universities Advisory Committee.

A large number of the recommendations have been accepted by Cabinet and are already in operation, whereas others are being dealt with along the proper channels. From the point of view of the universities, it is a gratifying fact that the idea of a Universities Advisory Council was readily accepted by Cabinet,
that legislation was prepared and that an act, the Universities Amendment Act, 1975, was passed by Parliament, making the Universities Advisory Council a statutory body.

This Council serves as a link between the Government and the universities. Its duty is to advise the Government on a variety of subjects dealing with universities, but its main function concerns the financial needs of universities, both current expenditure and capital requirements. It is composed of ten members well versed in matters of tertiary— notably University — education and includes two university heads nominated by the Committee of University Principals.

The Council keeps a close watch on the elements of the subsidy formula so that the necessary adaptation can periodically be made in order to provide in a reasonable way for current expenditure of universities; and it receives representations from universities in connection with capital loans for the purchase of land or expensive equipment or for the erection of buildings. The Council is keenly aware of the national value of the universities and I think it is fair to say that this Council represents an honest attempt to establish, within a system of government subsidisation of universities, a mechanism which will preserve and foster not only the autonomy of universities but also other ideals associated with higher learning in the Western World.

In this view one is strengthened all the more by the fact that the Committee of University Principals has clearly shown its willingness to co-operate in a fruitful way with the Council.
It has embarked on a healthy policy of providing itself with the necessary machinery to do research into pressing problems, to ensure continuity in its activities and also to prepare memoranda on behalf of the universities for presentation to the Council. One can, indeed, look forward with a degree of confidence to the road ahead.

However, there is one proviso: all the universities must come forward and make the best possible use of the new situation and new possibilities. Government and Parliament have created a dispensation which can successfully serve the national interest if the parties concerned are prepared to use it in a positive way. Enthusiastic, positive activity by all concerned is one of the key factors now and in the immediate future.

Looking at the picture objectively we have good reason to believe that a promising start has been made. The Universities Advisory Council has already met; in a lengthy session it dealt with urgent matters, incidentally also matters relating to this university; it analysed difficult problems in an objective way; it provided means for an investigation of matters which call for detailed future attention; it gave consideration to views presented by the Committee of University Principals, to which reference has already been made. And it may be added that the Minister of National Education was present in person, to open the proceedings and to assure the Council of the sincerity of his own efforts.

It will, of course, be unrealistically optimistic to think that we shall always have consensus; on the contrary, there will
also be differences of opinion, radical differences too. In our democratic system this is bound to happen. In accordance with the Westminster concept of democracy, under which we operate, the elected government decides on the national policy, but the elector retains the right to speak his mind, always, of course, within the limits of the law of the land.

While differences of opinion are a characteristic of democracy, they are even more characteristic of universities. We can expect people and agencies in our own set-up to differ, and even to clash, but this need not worry us. Universities are like that. It is part of their very existence - their raison d'être as the French would say - to search after the truth; and in the process nothing is more stimulating that difference of opinion. In any case, universities should be seen as living organisms, not graveyards.

The University of Natal fits into the big pattern; it is part and parcel of the whole set-up. I am delighted to be here; I thank you for inviting me and also my good lady to accompany me. From what we have seen and especially from what we know of the University's past, we realise that we are visitors to a living educational organism, by no means a graveyard!

Mr. Vice-Chancellor, I wish to congratulate you most sincerely on your appointment as a member of the Universities Advisory Council; and to thank you for what you have already done in this capacity and for university education in this country generally. I gladly add a word of congratulation on your election as Chairman of the Committee of University Principals and wish you a happy,
successful term of office.

On an auspicious occasion like this I extend hearty congratulations to the students who receive their degrees from the University, and in this way gain well-merited rewards for their labours. The University shows its faith in their spiritual and intellectual equipment; the University does not say that they have nothing more to learn, but it does say that it has confidence in their ability to serve their fellow-men and to strive with sincerity for the well-being of all people living in our country.

The students appearing at this graduation ceremony belong to the Faculties of Architecture, Engineering and Science. These faculties represent fields of study which are of direct significance to the life of the people generally, and the life of the individual in particular. The nation lives with its buildings - its administrative buildings, its educational, commercial, social and church buildings - and the individual lives in his home - his castle - whether a house or a flat or something very modest. Our buildings have become an integral part of our society and civilization - no wonder Churchill said: "We shape our buildings, and our buildings shape us!"

But the buildings need roads and bridges and means of transport and services. To supply all these we require a basic training in the sciences, which can mould the minds of men and women in order to prepare them for their work in research, without which activity in the professional fields cannot flourish. The graduates in Architecture, in Engineering and in Science find them-
selves in the very middle of our everyday life, so that they are really in an exceptionally favourable position to make a worthwhile contribution to the happiness of the country. I trust that the graduates capped this evening will do just that. May they find a rich reward of real satisfaction in their future endeavours.

To parents and friends of these young people I say that we gladly share in their joy. Some of them have, no doubt, made personal sacrifices in the course of a number of years to be able to see the results we witness this evening; they have, therefore, all the more reason to feel justifiably happy and proud.

A gap would be left if I omitted to express congratulation and gratitude to the academic and administrative staff of the University. This I now gladly do, knowing that this ceremony and others like it are due primarily to their devotion to duty.

I wish the University of Natal success and good fortune in the years to come; I trust that it will always be a force in the university pattern of the country and that it will stand firm in the service of South Africa, in spite of differences of opinion that may arise among ourselves. It is my sincere wish that our new dispensation in university affairs will prove helpful to Natal, and that Natal will reciprocate by making its own positive contribution to the general pattern.

Let me conclude with a reference to Sir Walter Moberly's book *Crisis in the University*. The writer tells of a commissioner who visited universities in the United Kingdom in search of
suitable material for the British civil service. This gentleman at the end of his trip wrote in his findings inter alia: "I can get any number of men with 'First Classes', but what I want and find it hard to get, is 'round' men".

May the University of Natal set its sights on "round" men, young people of character, dedication and understanding; and may the young men and women graduating from this University conclusively prove that the University's sights are true.