(29.11.1984)

DRAFT FOR THE BULLETIN

MESSAGE FROM THE VICE-CHANCELLOR

The business community has had a difficult year; the politicians have had an innovative year large numbers of schools have ended on a disorderly and negative note; and yet 1984 has generally been kind to Rhodes University. We managed to avoid any serious dislocation to our programme of teaching and research work.

The biggest problem we have faced has been the uncertainty of not really knowing what our income was going to be. At first we thought the new subsidy formula for universities was going to be introduced. As it turned out it was adjusted to such an extent that it is easier to describe our 1984 subsidy as the old formula with a two and half per cent cut. Further uncertainties surrounded the new salary dispensation. The final result was an overall 12 per cent increase at the beginning of the year followed by increases varying from 10 per cent for administrative staff to 21 per cent for professors in October.

Despite this year's undefined financial situation we expect to achieve a break-even position for the University account for 1984. The University's prospects in 1985 remain problematic and we have had to budget fairly conservatively.

The real change in our situation is that a more autonomous and flexible position has been achieved in respect of University finances. We are now able to exercise greater freedom in the use of the 'basket' of subsidy received from government. It is no longer necessary to allocate exact sums

received for specific purposes nor to act simply as a post office and have to pass on what is given to us. The University can, therefore, determine its own salary structures within certain limits.

This is something that we have long asked for and we appreciate government's positive response.

All this has, of course, put us on our mettle. Rhodes University now has increased responsibility for its financial affairs. I know that this is not a good time to make appeals to our friends and, apart from hoping to pl it a seed for the next 'good times', what I really want to do is to thank our donors for an amazing show of support in what must have been one of the worst years on record for many companies.

As I write we have already received ~~R1 225 510~~ *R 1 818 833* in donations this year.

This exceeds

~~Although the final total is not expected to reach~~ last year's record of ~~just~~
~~over~~ *R1 807 269* ~~one and a half million rands, we have to bear in mind~~ *when are thinking* the economic
the *five hundred thousand*
climate and the fact that ~~1983's~~ total included the ~~half million~~ rand gift
from Gold Fields, *one is simply astonished at the generosity of*
our friends!
also

What is ~~really~~ significant about the 1984 donations is that it includes a
R398 323 *R95 775*
record ~~R386 323~~ of unencumbered monies. This is an increase of ~~R85 775~~
31,6
over the 1983 unencumbered donations or a growth of ~~28~~ per cent over the
previous year, ~~before the end of November.~~ As you are frequently told, this
highly
'free' money is ~~the most~~ prized because it enables the very skilled
financiers on our Investment Committee to really put it to work for the University.

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The opening next term of Gold Fields House, a residence for 78 men, will be the last large construction project for some time. Its completion and that of the Quad Two project mark the end of a sustained expansionary period during which student numbers have increased by an average of four per cent per annum. Our total student enrolment may reach 3 500 in 1985, of whom about 2 900 will be full-time in Grahamstown.

Our East London Division, however, is likely to expand to nearly 200 undergraduates studying part-time for the Bachelor of Commerce degree and about 20 postgraduate students, most of whom will be enrolled for the Bachelor of Education degree.

I think everyone connected with Rhodes University can be proud of what has been built up over the first 80 years. It has taken much toil and patience, and in 1985 we hope to be able to continue to add to our past achievements with the help and support of the wider Rhodes community.

I should like to wish you all a merry Christmas and a happy New Year.

Dr D S Henderson
VICE-CHANCELLOR