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Fee protection for all private students

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ALL private schools here will have to protect the fees of their students – whether Singaporeans or foreigners – under a new regulatory regime that kicks in later this month.

Earlier, this had been proposed for only all students of private schools that take in foreign students.

Under the new framework that begins on Dec 21, private schools here can protect the fees of their students in two ways: By limiting the collection of school fees to a maximum of two months; or by purchasing insurance protection for their students' fees under an industry-wide group-insurance scheme.

For private schools that opt to purchase insurance, they will be allowed to collect up to six months' worth of fees from students in advance.

The Ministry of Education (MOE) said that in the event of a school closure, the industry insurance scheme will ensure that affected students get an insurance payout.

But it cautioned that students should not expect to get back all the fees they paid, as

the payout depends on the amount of school fees already used.

In September, a Private Education Act was passed to better regulate the private-schools sector in Singapore.

Under the Act, all private schools have to operate under an enhanced registration framework, if they want to continue operating in Singapore.

Under this new framework, private schools have to adhere to stricter criteria than the earlier registration framework, like having corporate governance as well as fee-protection options.

They will have to register themselves with a new watchdog for the private-education sector called the Council for Private Education.

Initially, fee protection was compulsory for only private schools that wanted to take in foreign students, as they needed EduTrust accreditation, a new quality mark that sets minimum standards.

Under EduTrust, schools had to protect the fees of foreign and Singapore students by either putting the fees in an escrow account, or buying fee insurance protection.

In September, Senior Minister of State for Trade and Indus-

try and Education S. Iswaran explained that EduTrust would not be mandatory for all private schools, as it would mean extra costs for schools and students.

He added that the EduTrust certification is not always needed, because there are instances of short courses where the quality can be vouched for.

But now, the change has been made to extend fee protection to all private-school students, regardless of nationality,

The MOE said yesterday that the change was "to better protect student welfare".

A spokesman said: "The enhancements, which would complement the fee protection scheme under EduTrust, are calibrated to strike a balance between protection of student interests and added operational costs to the private education institutions, which may inadvertently be passed on to students."

But students still have to be vigilant as these measures "cannot fully prevent regulatory infringements or avert school closures", she added.

Madam Halimah Yacob, the Member of Parliament for Jurong GRC, said that the new fee-protection requirement was a welcome move as the seeming disparity in treatment between

Singapore and foreign students previously "had no basis".

"Local students need as much protection for their fees as foreign students. The impact on them is as severe as that on the foreign students," she said.

Private school SIM's chief executive, Mr Lee Kwok Cheong, said that "the new regulations, especially the compulsory insurance for local students, will add some cost to them".

"We prefer an opt-in scheme for local students...(but) we are supportive of the new regulatory framework, which will raise the bar of private education in Singapore and differentiate the quality institutions from the rest," he said.

Dr Andrew Chua, the president for the Association of Private Schools and Colleges, said that the new fee-protection requirement will not affect private schools that offer short or part-time courses much, "as collecting two months of fees is a common practice".

"But in the case of private schools offering full time academic tertiary-level courses of one to three years, fee collection on a two- or six-monthly basis will be administratively problematic, costly and therefore impractical," said Dr Chua.

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