SMU ups tuition fees by 15%

But 'lock in' scheme means hike is 5% a year

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THE Singapore Management University (SMU) yesterday said it is raising its tuition charges by 15 per cent — but the fees will be "locked in" as part of a unique new scheme.

This means that once students get admitted, they will pay the same fees over the next four years — even if there is another increase for later intakes.

So, while an upfront rise of 15 per cent — from $6,500 to $7,500 a year — might seem high, it actually translates to about 5 per cent a year over the duration of the course.

"If the fees are fixed, they can plan their finances ahead." MISS ADELE TAN, on why the "lock in" scheme is good for her parents

Technological University (NTU), which said on Tuesday that they were increasing their tuition fees by 3 per cent.

SMU's fee hike is 5 per cent because it is following a unique business model, said the university.

Provost Tan Chin Tiong said that the university — with only 4,500 undergraduates — does not enjoy the same economies of scale as NUS and NTU, which have undergraduate populations of more than 20,000.

But he pointed out that, precisely because of its smaller intake, SMU can offer more faculty-student interaction.

"There is close attention paid to developing the potential of every student. SMU students leave the university with very impressive resumes," he said.

The university said that it had last year surveyed prospective students and their parents about different fee models.

The options were smaller year-on-year increases or the lock-in scheme.

Parents showed a clear preference for the latter, saying that it would allow them to plan ahead and set aside a specific amount for their children's education.

But the university assured needy students that they will get more help in the face of the fee hike. Currently, scholarships are given to one in 10 students, a number which SMU intends to double.

Education Minister Tharman Shanmugaratnam, who was asked about the fee rise at a school visit earlier, said the Government will ensure that the increases, especially for NUS and NTU, will be gradual.

But he also noted that the universities, while raising fees, had also substantially increased the amount of financial aid.

"It is the fairest system we know of for delivering top quality in our tertiary level," he said.

SMU students praised the fee lock-in scheme.

Miss Adele Tan, 20, a second-year student who has a younger sister planning to enter SMU in August, said: "My parents will %e putting two of us through university. If the fees are fixed, they can plan their finances ahead."

SMU president Howard Hunter added that the worth of the university's premium brand of education was evident in an employment survey carried out last year.

Two-thirds of SMU's pioneer class of 309 business management students were polled and all had landed jobs within six months of graduating, with more than half reporting that they had found jobs even before leaving school.

Based on last year's experience — when SMU raised its fees by 15 per cent, making its programmes $570 more expensive than similar ones at NUS and NTU — the university does not expect application numbers to fall.

Last year, applications surged by 25 per cent year-on-year to more than 9,000, despite the increase in fees.