Needy students assured of help to cope with rising fees

BY LYNN LEE

SINGAPOREANS received an assurance yesterday that the Government will continue to help them cope with rising education costs.

But it is inevitable that some fees, such as university tuition, will go up from time to time, said Minister of State (Education) Lui Tuck Yew.

The reason: Local universities, in providing quality education, face growing price tags – for instance, rising manpower costs which form about 70 per cent of their expenditure.

“Our universities must pay competitive wages if they are to compete effectively against global competition to attract and retain top-quality faculty,” said Rear-Admiral (NS) Lui.

He was responding to Dr Lily Neo (Jalan Besar GRC) and Mr Lim Biow Chuan (Marine Parade GRC) plus Non-Constituency MP Sylvia Lim.

They had expressed concern about the affordability of university education, following the fee hike announced last month by the three local universities.

Tuition fees will go up by between 4 per cent and 20 per cent for first-year undergraduates entering the National University of Singapore (NUS), Nanyang Technological University and Singapore Management University (SMU) in August.

The new fees will be fixed throughout their degree course and not subjected to further increases.

With the fee rise, most students will pay $250 more a year. But some, such as law and business students at NUS and SMU, will bear increases of up to $1,200.

This led Ms Sylvia Lim to ask if the 20 per cent hike breached a 2005 guideline, that universities would cap increases at 10 per cent of the previous year’s fees.

In his reply, RADM Lui said those affected by the 20 per cent hike were “a small number” of students.

“They will face an increase in fees of 20 per cent over four years, which will work out to about 7.5 per cent annually,” he said, referring to the annualised change.

RADM Lui also stressed that the Government had worked closely with the universities to ensure new fees were “set reasonably”.

The institutions were “cost conscious and fiscally prudent”, he added.

The Government had also raised the amount of financial aid for students. In the financial year ending March 2007, about $120 million, mostly loans, was doled out to students. In 2003, it was $81 million.

Students who took these loans were not sinking in debt after they graduated, he assured Dr Ong Seh Hong (Marine Parade GRC).

For instance, those who chose the maximum payback period of 20 years would have to set aside 10 per cent of their starting pay.

As their pay increases, they could opt to pay larger instalments.

Also, more students from low- to middle-income families are now qualifying for bursaries while others could always opt for the growing pool of scholarships, he said.

RADM Lui assured the House that “no able student will be denied a university education because of cost”.

Later, Senior Parliamentary Secretary (Education) Masagos Zulifki also spoke about the help given to younger school-going children.

MPs such as Dr Lim Wee Kiak (Sembawang GRC) had asked for more needy families to be given financial help, and for more to be given to them.

Mr Masagos said the income ceiling to qualify for the Ministry of Education’s (MOE) financial aid scheme was raised two years ago, and would be reviewed continually.

The income criteria is up to $1,500 for families with one or two children and $1,800 for families with at least three children.

Last year, 44,200 received such help compared to 15,000 three years ago.

WHY SCHOOL FEES GO UP

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MINISTER OF STATE FOR EDUCATION LUI TUCK YEW (left)

LIANHE ZAOBAO FILE PHOTO