

Singapore

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I. A Brief Description of Singapore's Higher Education System

Singapore has a three-part public higher education system consisting generally of universities, polytechnics and the Institute of Technical Education (offering vocational training – not covered in this country profile).

The public universities were corporatised in 2006 through acts of Parliament, following the recommendations of the University Autonomy, Governance and Funding (UAGF) Steering Committee. They have long been considered the elite option for higher education in Singapore; the National University of Singapore, which grew out of the oldest institutions for higher education in Singapore dating back to 1905, has often been ranked among the best three universities in Asia in various league tables.¹

There is also a sizeable sector of private higher education providers, registered with the Council for Private Education, a government agency. SIM University (UniSIM) is the major institution in this sector, although it receives significant government subsidies, primarily in the form of the Tuition Grant Scheme (TGS) for its students (see below for more on the TGS). Other private institutions include the Singapore campuses of foreign institutions such as James Cook University and Curtin University, as well as private schools offering accredited foreign degrees and diplomas. Polytechnic diploma holders typically “upgrade” their qualifications to a degree through these private higher education providers, aside from UniSIM. As such, they play a demand absorbing role in higher education in Singapore, where the number of public university places has been maintained at 25% of each cohort.

Table 1, on the following page, lays out the higher education landscape in Singapore, listing and categorising higher education institutions in Singapore, alongside enrolment numbers.

Major contemporary issues (2015)

There has been a push by the government to increase the number of public university places. In 2012, the Ministry of Education announced its intention to increase the university participation rate to 40% of each cohort, by 2020. The proportion of each cohort of students going to a university in Singapore, maintained by policy design as an elite institution of learning, has typically been around 25%. These additional places will be provided for through the new Singapore Institute of Technology, and through expanding the existing SIM University (UniSIM), both targeted at polytechnic diploma holders who look to “upgrade” their qualifications. Part of this impetus behind this latest move could be attributed to the 2011 General Election, at which the ruling People's Action Party saw its worst showing at the polls since independence (albeit a very safe winning margin by worldwide standards generally) – education issues, and especially access to university, were among the most keenly debated during the campaign.

¹ See for example: <http://news.nus.edu.sg/highlights/7676-nus-ranked-number-1-in-asia>

Table 1. Enrolments in Higher Education in Singapore

Type of institution			2015 Enrolment ²
Universities (Degree-granting)	Public	National University of Singapore (NUS) ³	76,000
		Nanyang Technological University ⁴	
		Singapore Management University	
		Singapore University of Technology & Design	
	Private	Singapore Institute of Technology	13,400
		Private with government grants – SIM University (UniSIM)	227,090 ⁵
Polytechnics & diploma granting institutions	Public	Singapore Polytechnic, Ngee Ann Polytechnic, Temasek Polytechnic; Nanyang Polytechnic; Republic Polytechnic	80,000
	Private	Private/public institutes (degree/diploma) – Nanyang Academy of Fine Arts; LASALLE College of the Arts; Management Development Institute of Singapore (MDIS)	3,000
Vocational training ⁶	Public	Institute of Technical Education (3 regional colleges)	25,000

There has been a drop in enrolments of foreign university students, apparently as a result of rising fees and costs of living, notably since around 2012. Singapore had the Global Schoolhouse Initiative which started in 2002, seeking to make the country an international hub for education (including higher education), in the form of start-up loans and subsidies to foreign institutions. However, there have since been a number of high profile shutdowns or relocations – notably of the Asia campus of the University of Chicago Booth School of Business, the University of New South Wales’s Singapore campus, and the Asia campus of the New York University (NYU) Tisch School of the Arts. Lower-than-projected enrolment rates and the lack of financial viability have been cited by those universities as factors.⁷

On the other hand, besides the push for more university places for Singaporeans, there has also been a push towards skills development in education in a major government scheme called “SkillsFuture”, which was announced in the government’s 2015 Budget. This would include, among others, industry collaboration and internships especially for polytechnic students, as well as education and training subsidies for mid-career adults.

Other notable recent developments include the establishment of Singapore’s first liberal arts college, Yale-NUS College, in a continuing move towards diversifying education options in the country. A collaboration between Yale University and the National University of Singapore (NUS), though remaining a separate entity from the two universities, its opening sparked a renewed debate about academic

² *Education Statistics Digest 2015*. 2015. 1st ed. Singapore: Ministry of Education.

³ Including Yale-NUS College, though being a distinct entity.

⁴ Including the National Institute of Education (NIE), an autonomous institute within the university.

⁵ Figure as provided by Council for Private Education includes all 319 registered private schools that offer post-secondary qualifications. This figure may overlap with other categories in this listing.

⁶ Not covered in this article as these institutions do not offer a degree or diploma (i.e. they are vocational training institutes).

⁷ Tan, Emilia. 2016. "Rising Fees Cloud International Hub Status - University World News". *University World News*. <http://www.universityworldnews.com/article.php?story=20141023131730715>.

freedom in Singapore. Another public university, the Singapore University of Technology and Design (SUTD), a collaborative effort with the Massachusetts Institute of Technology and Zhejiang University, was established in 2009.

II. The Financing of Higher Education⁸

In the government's 2015 budget, a provision of S\$3.08 billion was made for the university sector. The total number of students (including both undergraduates and postgraduates) subsidised by MOE at the public universities and UniSIM for 2015 is projected to be 76,600 (see "Tuition Grant Scheme" below). The increase in operating expenditure is mainly due to a progressive increase in Cohort Participation Rate (CPR) for public universities and UniSIM towards a target of 40% in 2020.

A provision of S\$1.47 billion has been made for the polytechnic sector. The total number of students subsidised by MOE for 2015 at the polytechnics is projected to be 77,900. The increase in operating expenditure is mainly due to initiatives under the "SkillsFuture" government scheme.

A provision of S\$461.40 million has been made for the Institute of Technical Education (ITE). The total number of students subsidised by MOE for 2015 at ITE is projected to be 27,400.

The Singapore government's spending on the higher education sector projected for 2015 was therefore 1.68 % of GDP (the 2014 GDP figure for Singapore being reported at S\$297.9 billion).

Tuition Grant Scheme (TGS) – a key source of state funding for higher education

The Tuition Grant Scheme (TGS) was introduced by the Government in 1980 to subsidise the high cost of tertiary education in Singapore. The TGS is currently open to all students enrolled for full-time undergraduate/diploma courses in the public universities and polytechnics.

Singaporean students receive the TGS by default – they only have to pay the post-grant, upfront fees of S\$2,500 to about S\$8,000 generally. They are eligible for further grants, loans and financial assistance if they meet the terms of those particular schemes (more details in the next section).

Permanent residents and foreign students must apply for the tuition grant, or else the university will charge the non-subsidised tuition fee. They are thereby required to sign on a service bond with the Singapore government to work for 3 years for a Singapore registered company upon completion of their course. They are also required to execute a deed with the Government of Singapore, in the presence of two sureties. The sureties act as guarantors and can be of any nationality between the ages of 21 and 65. They must be physically present at the institution for the signing of the deed. For Singaporeans, there is no obligation attached to this scheme. Those who are not eligible for the tuition grant, because they have previously obtained a degree or taken the number of semesters normally required to obtain a degree, or they have been admitted on a full-fee paying basis, have to pay the non-subsidised tuition fee.

⁸ HEAD K. 2015. Ebook. 1st ed. Singapore: Ministry of Education.
http://www.singaporebudget.gov.sg/data/budget_2015/download/27%20MOE%202015.pdf.

For medicine and dentistry courses at NUS, all students, regardless of their nationality, are required to undertake a service bond with the Ministry of Health of Singapore for five or six years. Aside from SIM University (UniSIM), students at private universities in Singapore are not eligible for the TGS.

Table 2. Singapore Higher Education Expenses Borne by Parents and Students, First Degree, Academic Year 2015-16 - Instructional expenses for one academic year

[National currency Singapore dollar (S\$) converted to \$US by 2011 ICP PPP Estimate at US\$1 = S\$0.89]

NB. Fees given as for Singaporean citizens

	Public			Private
	Low cost Polytechnics	Medium cost ⁹ Public universities + UniSIM	High cost ¹⁰ Public universities (undergraduate medicine/dentistry degrees)	High cost ¹¹ Foreign branch campuses, foreign degree programmes
Tuition fees	S\$2,500 (US\$ 2,809)	S\$7,950 (US\$8,933)	S\$25,400 (US\$28,539)	\$24,370 (US\$27,382)
Other fees	S\$130	S\$210	\$250	S\$300
Books, etc	S\$500	S\$500	S\$500	S\$500
Subtotal: instructional	S\$3,130	S\$8,660	S\$26,150	S\$25,170
Lodging ¹²	S\$2,000 ¹³	S\$2,625	S\$2,625	\$2,000 ¹⁴
Food	S\$2,000	S\$3,000	S\$3,000	S\$3,000
Transport	\$1,200	\$1,200	\$1,200	\$1,200
Other personal expenses	S\$2,000	S\$2,000	S\$2,000	S\$2,000
Subtotal: living	S\$6,200	S\$9,125	S\$9,125	S\$6,200
TOTAL	S\$11,330 (US\$12,730)	S\$17,785 (US\$19,983)	S\$35,275 (US\$39,635)	S\$33,370 (US\$37,494)

Trends in tuitions fees

Since 2010, tuition fees at Singapore's public universities have been increasing every year, with larger fee hikes for permanent residents and foreign students. At the National University of Singapore (NUS)

⁹ Taking local fees for an arts/social science degree at NUS as a representative sampling.

¹⁰ Taking local fees for the medicine/dentistry degree at NUS as a representative sampling. Note that medicine/dentistry degrees in Singapore are undergraduate degrees.

¹¹ Taking local fees for a business degree at James Cook University as a representative sampling. Note, however, these are two-year courses (as if other similar institutions).

¹² Most undergraduate Singaporeans students tend to live with their parents. Local students tend not to live on campus, given that Singapore is a city-state where commuting from home would be the cost-effective norm. Those who do stay on campus do so for the experience of college residential life.

¹³ The approximate, median rate for the rental of a room in a public flat, for a 9-month academic year, based on property rental classified advertisements – the most common mode of accommodation for university students (local and foreign) besides staying on campus or with parents.

¹⁴ Ibid.

for example, most course fees rose by about 1.5% for Singapore citizens and about 5 to 8% for courses such as medicine (S\$25,400 per annum) and law (S\$12,400 per annum) – compared to the preceding academic year – for the academic year beginning in 2015. Compared to the 2008/09 academic year, the fees for the medicine and law degrees were S\$18,230 and S\$7,340 respectively. When all five public universities and UniSIM announced fee hikes in April 2015, they cited rising operational costs and the implementation of online learning systems as factors.¹⁵

III. Financial Assistance

Table 3. Selected major student loans schemes in Singapore

	Tuition Fee Loan	Study Loan	Central Provident Fund (CPF) Education Scheme
Eligibility	All full-time undergraduate students, including polytechnic students (not full fee paying). Not means tested.	Full-time undergraduates (including polytechnic students) who hold the Tuition Fee Loan, the CPF Education Loan &/or other grant or loan from a registered government agency. Means tested.	All full-time undergraduates can use their own, their spouses or their parents' CPF Savings.
Source of Capital and Risk	Government funds loan. Development Bank of Singapore (DBS) and Overseas-Chinese Banking Corporation (OCBC) originate and administer. Student must provide one guarantor.	Government funds loan. Student applies through their higher education institution. Student must provide one guarantor.	CPF. No guarantor required if student is a Singapore citizen or permanent resident.
Loan Amounts	Up to 90 percent of subsidised tuition fees payable by student.	Based on household income, students borrow either 10 or 20 percent of subsidised tuition fees & annual living allowance of \$3,600 (US\$3,204).	Up to 100 percent of subsidised tuition fee payable by student.
Terms	Interest rate is the average of the prime rates of the DBS, OCBC and UOB (currently about 4.75 percent). No interest is accumulated during course of study. Repayment begins two years after completion or upon securing employment. Minimum payment amount of \$100/month. Maximum repayment period of 20 years.	Interest free during study years then based on prime lending rate of three local banks. Interest may be waived up to five years after graduation if PCI is less than S\$500 (US\$463). Repayment begins two years after completion or upon securing employment, whichever comes first. Minimum payment amount of \$100/month (US\$93). Maximum repayment period of 5 years (if interest waived) or 20 years (if interest bearing).	Prevailing CPF interest rate (2.5 percent as of 2015) computed from the date of withdrawal. Grace period of not more than 1 year after graduation. Repayment of \$100 (US\$93) per month. Maximum repayment period of 12 years.

¹⁵ Yang, Calvin. 2015. "Local Universities Increase Fees, Citing Rising Operating Costs". *The Straits Times*. <http://www.straitstimes.com/news/singapore/education/story/local-universities-increase-fees-citing-rising-operating-costs-201504>.

In addition to the Tuition Grant Scheme (TGS) described above, the grants, bursaries and loan schemes typically found for public universities and polytechnics in Singapore are

- 1) **Grants:** Post-Secondary Education Account (PSEA); Mendaki Tertiary Tuition Fee Subsidy (TTFS – for ethnically Malay students);
- 2) **Bursaries:** As offered by the Ministry of Education and by individual institutions;
- 3) **Loans:** Tuition Fee Loan; Study Loan; Central Provident Fund (CPF) Education Scheme; Personal Computer Loan;
- 4) **Work study schemes:** Three major, common financial assistance schemes in Singapore’s higher education system – the Tuition Fee Loan, a Study Loan and the Central Provident Fund (CPF) ¹⁶ Education Scheme – as selected for an in-depth overview in Table 3 above.

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¹⁶ Mandatory national social security