



# Statement to Parliament on Increases in Auxiliary Fees Charged by Secondary Schools

Honourable Andrew Holness MP

## 1.0 Concern

The Government views with great concern recent increases in 'Auxiliary Fees' charged by some secondary schools. The Government recognizes that overhead costs for operating the school plant has increased significantly in the last two years and acknowledges that there would be reasonable adjustments in the non-obligatory, unendorsed, contributions requested of parents. However, the Ministry of Education has received numerous complaints regarding exorbitant, unreasonable and unexplained increases in the unendorsed, non-obligatory, contributions requested by some schools. The Ministry has been monitoring the situation and we have communicated directly with the leadership of all schools to give guidance and direction in setting the 'Auxiliary Fees'. Notwithstanding these and other discreet actions to control the increases, the judgement of the Government is that:

- increases in 'Auxiliary Fees' are sufficiently widespread to merit a public response and direction,
- present actions of some secondary schools in increasing their 'Auxiliary Fees' run counter to the policy of the government, and
- while we have no doubt that the schools' leadership has the best interest of their particular school at heart, the cumulative effect of their individual actions may lead to institutionalized exclusion and discrimination in the Jamaican Secondary School System.

## 2.0 Background

Prior to 1993/94 the government provided a subvention to all secondary schools based on their enrolment. However, over the years, the subvention proved insufficient to cover the operating cost of the schools. In an attempt to supplement the government's contribution, many schools introduced a fee collection programme in which parents/guardians were asked to contribute to the economic cost of their children's education. In 1993/94 the Ministry of Education (MOE), realizing that many schools were charging fees, outlined some basic principles that schools should follow in setting their fees. The fee paying system was institutionalized in the Cost Sharing Scheme in the 1994/95 academic year.

Under the Cost Sharing Scheme, each school submitted a Financial Management Report which outlined the school's estimated expenditure for the ensuing school year and proposed the fee to be charged. The MOE used the information from this report to assess the reasonableness of the proposed fee for the following academic year. The fee was endorsed as proposed or adjusted within reason. The Ministry also had in place funds for financial assistance to students who were unable to pay either a portion or the entire fee.

Up to 2007, the MOE's policy position on the Cost Sharing Scheme as outlined in the document "*Policies and Procedures for Administering the Cost Sharing Scheme for Financing Secondary Education, Ministry of Education, June 1994*" included the following:



- Fees are defined as charges made on parents or guardians by the school to defray the cost of class materials, books, supplies, utilities, maintenance of classrooms, equipment, laboratories, sports and other facilities and special services.
- Beneficiaries of the public education system should contribute to the development and operation of the institutions in which their children are enrolled. Contributions are made primarily through fees.
- The fee payment is obligatory and is a condition of registration and attendance. At the same time, the Government will as far as resources allow make every effort to assist those who are genuinely unable to pay full fees.

Cost Sharing sought to encompass and account for all fees charged by schools and then split the overall cost between government and parents after assessing the economic means of the parents. The portion of the overall fee assigned to the parent was generally referred to as 'Tuition Fee'. Let me restate that the Tuition Fee payment was obligatory and was a condition of registration and attendance under the Cost Sharing Scheme.

Despite Cost Sharing, many schools still required parents to contribute to several development and operational activities of the school outside of the Cost Sharing framework. The contributions required of parents were voluntary and not enforceable by the school. However, in practise the voluntary contributions evolved into additional fees which schools treated as compulsory by the collection measures used to secure compliance. These contributions are generally referred to as 'Auxiliary Fees' and are usually used to cover development projects, additional educational material, and in some cases supplement overhead costs and the salaries of teachers.

In the 2002/2003 academic year the Government decided to freeze the Cost Sharing Fee or 'Tuition Fee' charged to parents. In 2004/2005 the Government also decided to fix the percentage of the overall fee apportioned to parents at 50%<sup>1</sup>. It should be noted that while the compulsory 'Tuition Fee' charged to parents was fixed at 50% of 2002/2003 fee levels, schools received adjustments in the direct per capita contribution paid to them by government. Following this move by the Government, and a cash flow crisis where schools were not paid their contribution in a timely fashion<sup>2</sup>, many schools hiked their 'Auxiliary Fees'. The effect of the fee hike was to take away any relief afforded to the parents by the previous administration, as was pointed out in the Gleaner article of September 2005.

So parents are now faced with a range of additional fees despite Government's intervention. While the Government has lifted the burden off parents by allowing them to pay only 50 per cent of their children's school fees, school administrators have added additional burden by increasing the supplementary fees.<sup>3</sup>

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<sup>1</sup> [http://www.jis.gov.jm/MinSpeeches/html/20070831T120000-0500\\_12899\\_JIS\\_HONOURABLE\\_MAXINE\\_HENRY\\_WILSON\\_MINISTER\\_OF\\_EDUCATION\\_AND\\_YOUTH\\_BACK\\_TO\\_SCHOOL\\_BROADCAST\\_2007.asp](http://www.jis.gov.jm/MinSpeeches/html/20070831T120000-0500_12899_JIS_HONOURABLE_MAXINE_HENRY_WILSON_MINISTER_OF_EDUCATION_AND_YOUTH_BACK_TO_SCHOOL_BROADCAST_2007.asp) and [www.moec.gov.jm/news/newsroom/school%20fee%20assistance%5B1%5D.pdf](http://www.moec.gov.jm/news/newsroom/school%20fee%20assistance%5B1%5D.pdf)

<sup>2</sup> [www.jamaica-gleaner.com/gleaner/20031127/lead/lead1.html](http://www.jamaica-gleaner.com/gleaner/20031127/lead/lead1.html) and [www.jamaica-gleaner.com/gleaner/20030903/lead/lead2.html](http://www.jamaica-gleaner.com/gleaner/20030903/lead/lead2.html)

<sup>3</sup> [www.jamaica-gleaner.com/gleaner/20050904/cleisure/cleisure2.html](http://www.jamaica-gleaner.com/gleaner/20050904/cleisure/cleisure2.html)



### 3.0 Current

In 2007, the Government of Jamaica abolished the compulsory 'Tuition Fee' at the secondary level, which effectively terminated the Cost Sharing Scheme, and undertook the responsibility of paying full tuition fees for students. For the 2007/2008 academic year, the average per pupil fee paid by the government ranged from \$8,250 to \$9,000, which included \$1,000 for the Textbook Programme. This has been increased to \$10,500 per pupil including \$1,000.00 for the Textbook Programme, for the upcoming academic year. Under the Fully Subsidized Tuition policy of this administration, schools now get 100% of the agreed operating cost of the school relative to what they could collect from parents previously. **The Government is committed to increasing the allocation to schools to eventually reflect the true and realistic school operating cost. This year we have increased the allocation by an average of 23%. We have also committed to consistent and timely disbursement of funds so that schools can plan and manage their cash flow.**

Regardless, of these improvements in funding, some schools still find it necessary to hike the unregulated, non-obligatory 'Auxiliary Fee'. The effect of which is to nullify Government's policy to promote access and make secondary education compulsory. The government acknowledges that some schools may have experienced a fall-out in the payment of the voluntary 'Auxiliary Fees' last year, and the increase in the cost of utilities would have also presented a challenge. However, based on our investigations and reports made to the Ministry of Education, we are of the view that some schools have unjustifiably increased their 'Auxiliary Fees'.

### 4.0 Guidance to Schools

The Ministry of Education supports the view that parents ought to contribute to the development of the school. However, we have a duty to ensure that no child is excluded by their inability to pay any fee charged by the schools. **We also have a duty to ensure that no child is discriminated against or deprived of any service normally delivered in the school because of his economic or social status.**

The charging of 'Auxiliary Fees' can be a positive means of involving parents who can afford to contribute to the development of the school and the education sector, generally. For the most part, parents are willing to contribute to the development and implementation of the schools' programmes. However, there are those, who because of financial difficulties or unwillingness, do not or cannot contribute. Nevertheless, no child should be excluded or discriminated against or deprived because of an inability to pay.

The Ministry of Education has therefore developed the following guidelines for setting 'Auxiliary Fees'.

- Charges for items such as insurance, ties, IDs among other items, are to be treated as payment for goods and services to be consumed by individual students and should therefore not be treated as 'Auxiliary Fees'. Items that fall under 'user fees' should not attract a mark-up.



- Although parents are encouraged to contribute within their ability, it is not a requirement for admission to school and no child is to be denied access to an education because of parental failure or unwillingness to contribute.
- In arranging for auxiliary fees for the 2008/2009 School Year, it must be taken into account that the Ministry of Education has increased the tuition fees paid by the Government, ranging from 20%-27% over the 2007/2008 Academic Year resulting in a per pupil fee of \$10,500 including \$1,000 for the Textbook Programme.
- Principals are directed to ensure that where an increase is necessary, including the addition of new types of fees, the total should not exceed the amount for the 2007/2008 Academic Year by more than 19.9% which is the rate of inflation reported by the Planning Institute of Jamaica (PIOJ) for the 2007/2008 fiscal year.
- Parent Teachers' Associations should be involved in determining the level of these contributions which must be within the ability of the majority of parents to afford. All 'Auxiliary Fees' must be attached or related to a finite development project approved by the PTA.

The Ministry of Education does not want to regulate voluntary contributions to schools. We hope that principals will abide by the guidance given above and regulate themselves. However, let me reassure Jamaica that the Ministry of Education will act through policy and legislation if the situation is not reasonably attenuated.