

School Levies in Fiji's Education Sector

A Submission by the Consumer Council of Fiji

1.0 Introduction

Education is of paramount importance in developing our country and providing opportunities for all. Quality education is the basic consumer right of all children to prepare themselves for a productive and rewarding future. Education provides prospect for social and economic development by lifting people out of poverty which results in improving the quality of life not only for themselves but for the communities as well. To this end, the Government of Fiji made its commitments to achieve the Millennium Development Goals (MDGs) to address the multi-dimensional nature of poverty. To achieve the education targets of the MDG, the Ministry of Education (MOE) introduced policy interventions to realize the broad outcome specifically to bring opportunities for learning within the reach of every child in our society i.e. "education for all". The Ministry of Education sees education as an investment in the country's future and an essential social service.

2.0 Purpose of this Paper

The purpose of this paper is to highlight exorbitant school levies imposed by schools on the consumers for their services. This dilutes the efforts of the Ministry of Education to provide 12 years of basic education to our children in Fiji. Despite MOE providing grants to schools for tuition fee, teachers' salaries and other support (refer Section 4) the schools are still imposing extra charges to cover sports, school magazines, text books and other items. If these extra charges are not paid then admission for the child is denied. The paper offers suggestions that could assist in addressing the issues.

This paper also focuses on the breach of basic consumer rights pledged by the Government while endorsing the United Nations Guidelines for Consumer Protection, i.e. consumers' right to information, redress and basic rights.

3.0 Background

According to 2002/2003 Fiji Household Income and Expenditure Survey, it is estimated that 43 percent of the total population of Fiji lives in poverty of varying degree. The situation for poor families has become even more desperate since the global economic crisis struck in 2007, which pushed the global price of fuel and food to high levels, thus affecting the poor and disadvantaged the most. Job growth has been slow and unemployment rose to 8½ percent¹ in 2008.

Fiji also experienced a 6.6 percent decline in growth in 2007 and 0.2 percent growth in 2008 while negative growth of 2.5 percent was experienced in 2009². On 15 April 2009, the Reserve Bank of Fiji, in an effort to mitigate the adverse effects of the financial meltdown, devalued the currency by 20 percent. This was considered inevitable as Fiji's foreign exchange reserves plummeted rapidly, leading to an extremely tight liquidity in the banking system. While devaluation was seen as an effort to bolster the vital tourism industry, enhance export revenues, attract foreign investors and protect

¹ IMF Statement on Fiji Economy November 2009. Source: <http://www.imf.org/external/np/sec/pr/2009/pr09427.htm>

² <http://www.reservebank.gov.fj/>; www.indexmundi.com > [Fiji](#) > [Economy](#)

foreign reserves, the general public however, had to deal and live with increases in the cost of living.

Again, it was the poor that bore the brunt of the devaluation where earnings either declined or remained static while the prices of basic food items and the cost of transport shot up (bus fare increase in August 2009 was up to 60%). Some families were forced to prematurely pull their children out of school and send them to work. A study by Save the Children (Fiji) found that 66 percent of those who drop out of school do so for reasons connected with poverty³. Under such circumstances, the Government did its part and put in creative measures such as free bus fare and free text books to invest in our children who are Fiji's future.

4.0 Interventions to Achieve "Education for All"

To achieve the desired results and to build a strong foundation for social and economic development, the Government has placed education at the top of its agenda. The government provides tuition grant of \$90.00 per student for Forms 1 and 2, \$153.00 per student for Forms 3 and 4, \$165.00 per student for Forms 5 and 6 and \$240.00 per student for Form 7. In addition to providing tuition-free education, the Government provides other assistance such as:

- Salaries paid to teachers and principals, which constitute a major cost in running schools unlike in previous years where schools had to pick up part of the salary (20%) for grant-in-aid teachers;
- 10 million Fiji dollars set aside in the 2010 national budget for free school bus fare scheme,
- Provision of free textbooks to all students from this year, beginning with primary schools;
- Government exempted all fees for external examination conducted by the Ministry of Education for Form 4,6 & 7 students;
- Supplementary grants given to very poor students to pay school levies;
- Grants given to schools to build classrooms or to purchase computers in some cases; and
- Schools exempted from increase in electricity tariff rates, which applies to all commercial and residential users.

Donor funding

The European Union identified education as the key focal sector, where 44 million dollars (FJ) was channeled to the Fiji Education Sector Programme (FESP) from 2005-2009⁴. The

³ Poverty in Fiji today, Kevin J Barr (ECEA)

⁴ <http://www.delfi.ec.europa.eu/en/achievements/fiji.htm>. Results achieved by end of 2008:

- 57 new buildings at 42 schools have been completed.
- 49 new buildings at 40 schools are currently under construction.
- 117 new structures at 79 schools will be built in 2009.
- 46 schools have undergone extensive renovations.
- 24 schools have received utilities (water and sanitation) and training in water conservation.
- 163 schools have received a set of library books and encyclopedias.
- 161 schools have received locally manufactured sets of classroom furniture (each set comprising 30 desks and 30 chairs).

funds were utilized to improve schools' infrastructure and facilities. Similarly, in 2008, the Peoples Republic of China provided US\$60,000 for sports equipment for schools. Every year, some NGOs (such as Save the Children's Fund, National Coordinating Committee on Children, ECREA) and the general public rally behind fundraising activities to send children back to school. Unfortunately, school management and principals are not appreciating the efforts put in by the government, donor agencies, NGOs and the public who view education as a shared responsibility.

5.0 Survey on Excessive School Levies

The Consumer Council of Fiji recently conducted a survey on school levies following complaints from different sources such as talk back shows conducted on radio stations, calls made by parents to discuss unreasonable school levies and parents and students formally registering complaints at the Council to obtain refunds. The Council analyzed school levies from fourteen (14) schools to understand the issue. Data was collected by phone, face to face interview and from the information provided by students, parents and concerned teachers. From fourteen (14) schools, eleven (11) were analyzed to understand different types of fees charged by schools, trend, consistency, and clarity in understanding the fee structure. At the outset, it must be noted that this study is a snapshot on exorbitant school levies. There are limitations to this work as the Council faced difficulty in obtaining a bigger sample size to study the issue. The Council hopes to continue to strengthen its research on the issue.

5.1 Findings

5.1.1 Inconsistent levies charged by schools

Twenty seven (27) different school levies were identified which are being charged by eleven (11) schools surveyed by the Council. School levies varied from school to school (see Attachment 1). The survey revealed the following:

- Schools charged extra tuition fees ranging from \$12.00 to \$320.00 for form 3 students despite government giving tuition grant to schools;
- Enrolment or admission fee varied from \$10.00 to \$100.00, which in most cases are non-refundable;
- Building fee ranged from \$15.00 to \$50.00 per student per year. Central College in Lautoka earns \$31,500 from 630 students as building fees. This school is also charging \$10.00 as Development Fund and \$10.00 as sports fee. There is lack of clarity in distinguishing the difference between building fees and development fees;
- Schools charge between \$5.00 to \$25.00 as sports fee per year, although in some schools sports is not a priority and during sports teachers use that time for extra classes;
- Magazine fees are charged by schools between \$5 to \$10, which is normally funded through advertisements and sponsorships. The school magazine is more expensive as compared to locally produced quality magazines.
- Tilak High School in Lautoka has levied badge, school jacket and PE uniform as part of school fees, which must be paid at the time of enrolment;

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- 393 Primary Schools have received boxed sets of Science equipment.
 - 220 Primary schools have received Physical Education equipment.
 - 35 schools have received photocopiers; 35 schools have received duplicating machines.

- Lautoka Muslim College charges \$60 as tuition which covers library, sports, magazine, administration, development and stationery fees which is reasonable as compared to other schools;
- QVS introduced caution and general fees which are difficult to understand. It becomes even harder to understand terms such as “caution proper fees”;
- Nabua Secondary School has named school levies “2010 Trust Fund Schedule” which fails to provide breakdown of fees; and
- Book Hire Fee is the main source of generating funds for schools. In most cases this fee is non-refundable and students have to replace a book if it is lost. Book hire fee ranges from \$20.00 to \$75.00 for forms 3 to 6. Tilak High School collects roughly around \$65,000 from book hire fees alone. From the schools the Council surveyed it was obvious that secondary schools already have textbook schemes but the levy imposed is high and non- refundable. If a student returns books in good condition then part of the levy should be given back to the students.

The Council is concerned over these excessive fees which schools claim are approved by the Ministry of Education. For Example, MGM High School stated on Form 3 Admission letter “our school fees is currently under review and if approved by the Ministry of Education, a new fees structure will be in place and students will have to pay the balance”.

These exorbitant levies are a deterrent to a child’s education, especially when a parent has more than two kids in the same school where they have to pay these unreasonable fees over the duration of their studies. There is a very high degree of inconsistency in fees and charges levied by the schools. School levies imposed by schools lack transparency and clarity in understanding the purpose of the fees and its usage.

5.1.2 School Levies: Extra Income for Schools

The Council analyzed school levies from a selection of schools to understand the income generated by these schools as given in Table 1. The revenue generated from each school is the minimum amount the Council could establish. It does not include money collected from fund-raising activities such as bring and buy, charity contest, walkathon etc held by most schools during the school year where parents are further burdened from financial standpoint. There are schools that generate income throughout the year by operating school canteens or giving school halls on hire for functions. The real income of a school is therefore more than what is evident, as revenue collected from other means are not known.

Table 1: Analysis of school levies

Schools	Students approx.)	Government's Tuition Grant	Revenue from School Levies	TOTAL
MGM High School, Suva	650	\$109,593	\$76,155.60	\$185,749
Bhawani Dayal Arya School, Nausori	840	\$132,966	\$121,930	\$254,896
Nabua Secondary School, Suva	490	\$74,720	\$173,950	\$248,670
Dudley High School, Suva	1007	\$162,969	\$136,965	\$299,934
Sila Secondary School	320	\$52,360	\$52,400	\$104,760
Gospel High School, Suva	910	\$149,250	\$206,500	\$355,750
Labasa College	521	\$96,225	\$31,410	\$127,635
Central College Lautoka	630	\$107,100	\$116,550	\$223,650
Lautoka Muslim College	647	\$93,795	\$76,875	\$170,670
Tilak High School	1024	\$171,483	\$161,337	\$332,820
Jasper Williams High School	698	\$105,426	\$100,265	\$205,691

From the above table, it is clear that the schools have become a means of generating income perhaps for the religious or social group they represent. Schools must be monitored by the Ministry of Education given that tax-payers funds are used as tuition grant and salaries for teachers. There are several unanswered questions. These are:

- Why Nabua Secondary School with 490 students have to generate extra income (**\$173,950**) through levies where as Labasa College with a roll of 521 students provides quality education with a total revenue of **\$127,635** which includes tuition grant and school levies? Why Nabua Secondary School needs **\$248,670** to provide education to a lesser number of students? Why Nabua Secondary School had to raise \$142,540 more as compared to Labasa College thus burdening parents?;
- How Lautoka Muslim College with 647 students can run its school with a sum of \$170,670 while Central College Lautoka needs \$223,650 to provide education to 630 students and why Central College Lautoka needs to raise \$40,000 more through school levies?; and
- When the Government through the MOE provides for bulk of the costs (tuition fees and salaries of teachers) for running a school than what is the need to charge extra levies, which are exorbitant. It has been noted that despite the MOE providing more and more for the education of the students, schools rather than decreasing their levies are in fact increasing levies. This is counter-productive to what the Government is doing to provide “education for all”

The Council understands that the schools pay for auxiliary staff (bursar, typist etc) and they need money to maintain buildings, desk and chairs, maintain lawn and pay for utility services. However, the money collected by schools is much more than what it is required. For example: Nabua Secondary School shows no evidence of money spent towards maintaining school buildings and yet it collects \$248, 670 a year to service less than 500 students.

5.2 Issues of Concern

5.2.1 Unfair Trade Practice

Some schools are charging non-refundable admission fees (\$50.00), and non-refundable school magazine fees (\$8 - \$10.00) paid upfront during admission. When a student decides to withdraw after enrolment, the school refuses to refund the admission and magazine fees, which rightfully should be refunded to the students. The schools can keep a portion of the fees as an administrative cost but should not keep the full amount. How can a school charge magazine fee when it is produced at the end of the year? Schools cannot impose unreasonable terms when soliciting fees from students and parents. This is a clear breach of basic consumer rights.

5.2.2 Unjustified School Levies

Taking into consideration how the current government is assisting schools through paid teachers and principals, tuition grant, free text books etc why than school levies have not reduced over the years? In fact, school levies kept on increasing although schools no longer pay 20% salary to grant-in-aid teachers. All teachers and principals are paid by the Ministry of Education.

5.2.3 Lack of Transparency

There is lack of transparency displayed by some schools, where a lump-sum fee is charged without clearly indicating the different components that make up the fees. In the name of development and building funds, schools continue to collect such huge amounts of revenue without using it for the very purpose it was collected for. In most schools, toilet and other student facilities are in deplorable state and yet very little is done to improve these facilities despite school levies being charged for building fees or development fees.

Lack of transparency is also displayed by schools such as MGM High, which charges \$5 as *miscellaneous fees* whereas Suva Grammar School charges \$60.00 as “general purpose trust fund”. As consumers of education services, consumers have a right to be informed on the purpose for which the money will be used. From the name (*miscellaneous fees or general purpose trust fund*) there is very little one can understand how the money will be used. For example, if Suva Grammar has 700 students then the school generates \$42,000 from General Purpose Funds. Schools should not impose fees without clearly indicating the purpose.

5.2.3 Lack of Accountability

Some school levies are appalling and raise questions on how School Managements are using tuition grant they receive from the Ministry of Education when a parent is paying for the building, sports, library, lab, stationary (for handouts and printing of examination papers) computer hardware and other fees charged by schools. The schools must be held accountable to the public and the government. It can no longer ride on the grounds that it is private or community run institutions. The welfare of the students should be first and foremost.

5.2.4 Social Responsibility

The high school levies charged by schools is a clear indication that the schools are moving away from their social obligation or the social work they harp on. It is a fact that although schools are managed by non-government organizations, government's contribution through tax payer's money is a life-line for school management. It appears school levies have become a source of income for non-school related activities.

5.2.4 Lack of Monitoring

The majority of schools which are run by religious or community organizations have been left on their own for far too long. The schools must produce audited accounts for public scrutiny since public funds are used. The Council appreciates the action taken by the Ministry of Education to monitor school performance. Similar action must be taken by the Ministry to monitor school finances since government contribution is huge in real terms.

5.2.5 Unsubstantiated Claims made by some Parents

While undertaking this survey parents raised issues based on their observations which the Council is not in a position to substantiate. However, the Council believes that it should raise these issues to the Ministry of Education to investigate. These are:

- A large number of schools come under respective community or religious groups such as Methodists, Catholics, Sanatan Dharam, Arya Samaj, Gujarat Association, Sikh, Muslim and Sangam. The total revenue generated by the respective groups are substantial. Are the funds generated by schools also used by such groups to promote their religious and community activities rather than focusing on students' education?
- Some religious or community run schools have one consolidated account where money collected is deposited. It will be interesting to find out if such schools have separate accounts?
- Some schools are paying sitting and transport allowances to the members of the management committee. How are the allowance determined? Who approved it?
- Some schools are paying their managers or church ministers for holding position which are honorary. It is the school principals who are actually responsible for the implementation of policies and decisions. Is it then necessary to pay school managers and church ministers?

- Some schools employ auxiliary staff related to school management team or school principals.

6.0 Recommendation

In order to support the good efforts of the Government for the provision of affordable “education for all” the Ministry of Education needs to look at the following measures:

- Undertake a thorough research of all schools in Fiji on the fees and charges levied;
- Determine the real cost of education per child and provide a standard uniform benchmark for levies across all schools in Fiji;
- Ensure that extra funds collected through fees and charges are not directed to other areas, which are not relevant to the child’s education in that particular school;
- Approve and monitor fund raising in schools based on the purpose for which such fund raising is required;
- Ministry of Education should also provide guidelines for the management of schools which should be implemented by the schools rather than allowing schools to impose different rules and fee structures as they wish.
- Get independent auditors to audit a sample of schools to determine any shortcomings or misuse;
- Establish a mandatory system of accountability by schools to parents and stakeholders via reports;
- Parents’ Association must be given more powers in the decision-making process for school levies, fees and other developments;
- The Ministry of Education should reconsider free text books to secondary schools because most schools already have book hire scheme. What the Ministry might like to consider is encourage schools to continue book hire scheme by assisting those schools who are not running such schemes. The Ministry is encouraged to impose a system of refundable deposit for book hire in schools to encourage students to be responsible. Similarly schools should keep a portion of the money for book maintenance and hold on to the deposit and result if a student fails to return the books.

7.0 Conclusion

The Council supports the efforts of the Government in promoting education for all. As the Government through the MOE provides grants to schools in terms of tuition fee, free books and payment of teachers’ salaries, it must ensure that such grants are not used to maximize the schools’ revenue and thus making education unaffordable—defeating Government’s noble effort. The Council feels that the information provided through this paper gives enough evidence on exorbitant fees and charges levied by the schools.

