Private education sector hit by falling enrolment

Drop in both local and foreign students; 10 private schools have closed since start of year

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The private education industry is undergoing a shake-up as students, both local and foreign, abandon it for other avenues.

Based on figures provided by the Council for Private Education (CPE) in its 2014 annual report and the Immigration and Checkpoints Authority, which issues student visas, there are an estimated 77,000 locals and 29,000 foreigners enrolled in private commercial schools, which include the Singapore Institute of Management (SIM) and PSB Academy.

Media reports three years ago said there were about 100,000 locals and about 35,000 foreigners enrolled in these schools.

Mr Brandon Lee, chief executive of the CPE, which regulates the private education industry, also revealed yesterday that since the beginning of this year, 10 private schools have exited the industry.

Speaking at a conference held by the Singapore Association for Private Education (Sape), he said another eight schools have indicated that they wish to deregister over the next few months. One of them is M2 Academy, which recently announced its closure by the end of the month.

The academy had opened with a bang, taking prime space in Orchard Road just one year ago. It had said it planned to start with 500 students. When it announced its closure, it had only about 150 students in its classes.

Private school officials attribute the drop in local students to the increase in university places, especially at the Singapore Institute of Technology, which caters to polytechnic graduates.

The number of local students is expected to fall further as the Government has pledged to increase the yearly intake for the six universities from 15,000 now to 16,000 by 2020.

The strong Singapore dollar has also made it less attractive for international students to come here. Another factor – fewer work opportunities for foreigners upon graduation.

Mr Lee said the private education industry should look into aligning itself with the SkillsFuture movement that emphasises job-oriented skills and lifelong learning.

Mr Lee Kwok Cheong, chief executive of Singapore’s biggest private school – the global education arm of SIM – is not surprised at the drop in numbers.

The school has, for the first time in a decade, seen fewer local students. In 2013, its total enrolment hit a high of 23,000, with 20,000 locals. Last year, the figure fell to 22,000, with 18,500 locals.

SIM’s Mr Lee, the founding president of Sape, which has 30 members, was not sure if SkillsFuture could help private schools. “We are ready to join Team Singapore but, so far, the Government has not allowed us to play ball,” he said.

He was referring to the fact that the Government has so far been silent on whether private commercial schools can be drawn into running modular continuing education courses which can receive subsidies from agencies such as the Workforce Development Agency.

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