

**Speech by Mr S Iswaran, Senior Minister of State, Ministry of Trade and Industry and Ministry of Education, at the brand launch of the Association of Private Schools and Colleges (APSC) on Tuesday, 30 March 2010, at 3:30pm, at the Grand Copthorne Waterfront Hotel**

Dr Andrew Chua, President of the Association of Private Schools and Colleges

Distinguished Guests

Ladies and Gentlemen

Good afternoon,

1. It gives me great pleasure to join you today at the official brand launch of the Association of Private Schools and Colleges. Let me first extend my warmest congratulations to the association on achieving this milestone.

2. Over the last 10 years, the private education sector has grown exponentially, and its contribution to our economy is significant. As Singapore seeks to become a choice destination for education in the Asia-Pacific region and a magnet for global talent, our private education sector must evolve in tandem, to be an internationally trusted provider of high quality education services which complement that provided by our public sector.

3. It is to this end that Parliament recently passed the Private Education Act, which paved the way for the implementation of a new regulatory regime for Private Education Institutions (PEIs) under the Council for Private Education (CPE). This is a timely move towards the enhancement of the quality and stature of the sector. Under the new regulatory regime, the mandatory Enhanced Registration Framework (ERF) stipulates a set of more stringent criteria which PEIs must meet in order to register and operate their businesses. The Enhanced Registration Framework requires the PEIs to meet higher standards in corporate and academic governance; put in place proper student protection measures; disclose key information; and maintain or enhance their standards through a registration renewal system based on the overall achievement of standards by the PEIs.

4. The Enhanced Registration Framework is complemented by the EduTrust certification scheme which essentially provides a trusted mark of quality. It allows

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private education institutions to differentiate themselves by signalling to the market that they have achieved higher standards in key areas of management and the provision of educational services. Although the EduTrust Certification Scheme has been positioned as a voluntary quality trust mark which all PEIs should aspire to achieve, it is one of the prerequisites which a PEI must meet if it wishes to enrol international students.

### **EduTrust Support Scheme**

5. Besides being a prerequisite for international student enrolment, PEIs which have successfully attained EduTrust certification will also enjoy stronger consumer confidence as they would have been certified by the CPE as having attained higher and more comprehensive standards in their corporate governance and administration, academic processes, student support services and financial viability. Such recognition will accord EduTrusted PEIs distinct marketing advantages in the intensely competitive PE sector.

6. The CPE is mindful that changes in regulatory policies and environment, such as the introduction of the EduTrust Scheme, whilst necessary for the overall benefit of the sector, will have a material impact on PEIs' commercial operations and interests. Some of the PEIs, particularly smaller ones, may require support and assistance to make the necessary adjustments to meet the higher expected standards under the new regulatory environment and market landscape. Therefore, in parallel with its regulatory efforts, the CPE has also been working with our economic agencies to spearhead developmental initiatives to spur institutional improvements among PEIs. One major initiative is a new support scheme to support and prepare eligible PEIs for the attainment of EduTrust Certification.

7. Today, I am pleased to announce the launch of the EduTrust Support Scheme. This scheme is a collaborative effort of the CPE, SPRING Singapore, International Enterprise (IE) Singapore and the private education industry. I am also pleased to note that the APSC is playing an active role in this initiative as the administrator of the scheme.

8. Let me share with you some details of the EduTrust Support Scheme. This new scheme provides financial support and assistance to eligible PEIs, especially the smaller players who are keen to upgrade, to build on their organization's strength and prepare for the attainment of the EduTrust Certification. The scheme is supported under the Local Enterprise and Association Development (LEAD) Programme which is jointly managed by SPRING Singapore and IE Singapore.

9. The EduTrust Support Scheme will provide grants to eligible PEIs under two different phases. Under Phase 1, a PEI can obtain a grant of up to \$4,000 to engage consultants to conduct a diagnostic review of its systems and processes. To help both consultants and PEIs to conduct the review, the CPE has designed an EduTrust Diagnostic Toolkit that will enable the PEIs to clearly identify areas which need improvement to meet the requirements of the EduTrust Certification before moving on to Phase 2 of the scheme.

10. Under Phase 2, PEIs can embark on a capability upgrading project to plug the gaps identified under Phase 1. The CPE, SPRING Singapore and IE Singapore have jointly identified the areas where capability upgrading will be supported under the Scheme. These include the improvement of the leadership system; human resource planning; financial management; and curriculum development. Each PEI can apply for a grant of up to \$7,500 for each area of capability upgrading, up to a maximum of three areas. Overall, a PEI can receive financial support of up to \$26,500 under the EduTrust Support Scheme.

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11. The EduTrust Support Scheme is the first major collaborative effort between government agencies and the industry under the new regulatory environment for the PE sector. I am confident that there will be more of such joint initiatives to come as the industry evolves and adapts to the new regulatory environment and changing market needs. CPE is working closely with SPRING Singapore and IE Singapore to leverage on their experience in order to help the PEIs enhance their business competencies and gain access to greater market opportunities.

12. One example of this is in helping local PEIs internationalise. With improved capabilities and enhanced standards over time, it would be natural for our PEIs to consider venturing overseas as part of their long-term business plan. PEIs who are ready to do so are welcome to work with IE Singapore to obtain the necessary connections, market their knowledge and participate in incentive schemes. For example, IE Singapore also provides support for Trade Associations and Chambers (TACs) to lead their members in overseas missions and trade fairs through the International Marketing Activities Programme.

### **Ownership by the PE Industry**

13. Notwithstanding the regulatory and development efforts undertaken by the CPE and various economic agencies to assist the PE sector, the government on its own can only do so much. It is critical that the industry itself recognises the challenges facing the PE sector here in Singapore and takes ownership of the need to address them. The task of building a stronger PE sector can succeed only with the collective effort and commitment of key stakeholders, such as government agencies, industry associations and individual PEIs themselves. The quest for higher standards and genuine quality services must become an integral part of the DNA of our private education sector. Industry associations can play a crucial role in this endeavour, by coming forward to take a leadership role in galvanising individual PEIs to work out solutions to common problems and concerns faced by the industry.

14. In this regard, there are ample opportunities for the industry bodies to play a bigger role, especially in helping smaller PEIs who may not have the critical mass nor the resources to address some of these issues on their own. I, therefore, strongly encourage industry associations and related bodies to organise platforms and opportunities for all PEIs to come together and participate in industry-wide activities, such as dialogue sessions and consultation panels, to discuss collaborations in the areas of benchmark and standards adoption, capability upgrading, and the sharing of best practices.

15. In line with this call, I would also like to urge all players in our local PE industry to get involved and contribute in whatever way you can, especially so our larger and

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better established PEIs whom the industry naturally looks to for leadership and support given your good standing in the sector. The presence of strong and vibrant industry associations will go a long way in helping our PE sector establish itself as a trusted and reputable education hub for the region and beyond.

## **Conclusion**

16. The Association of Private Schools and Colleges can play an instrumental role in steering and leading our PEIs to contribute to the development of a high quality private education sector in Singapore. Today marks a new beginning for the APSC as it embarks on its endeavours in this direction. I assure you that the journey will be challenging and entail unexpected hurdles. I also assure you that it will be a rewarding enterprise as we lay a firm foundation for the long term growth of our private education sector. And, I am confident that you, the association and your individual members, are equal to the challenge. I congratulate APSC once again on your brand launch and I wish all of you success in your ventures. Thank you.

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