



Eliminating project fees in PNG schools: a step too far?

By Grant Walton

At the start of this year parents of school children across Papua New Guinea had one less expense to worry about: they no longer have to pay project fees. As a part of its Tuition Fee Free (TFF) policy, in 2012 the PNG government abolished *school* fees- fees to assist with the ongoing running of the school - but kept *project* fees, fees raised for specific projects at the school level. This changed at the start of this year with Education Minister Nick Kuman issuing a directive that schools could no longer charge project fees, arguing that [the government already subsidises schools](#) and that it would mean that fewer children would be turned away from the school gate. During a [media conference](#) held earlier this year,

Kuman threatened schools who do not comply, saying that “any school that imposes project fees will not be given the TFF [subsidy].”

The Education Secretary, Dr Michael Tapo, has been tasked with implementing the new policy. On 27 January, a week before the semester started, he issued a circular advising schools of the change. Tapo subsequently said that the department would be sending out a team of inspectors to check if schools were complying.

Parents have already voiced their concerns. Many rang a radio talkback show, on which Tapo appeared, to [complain about schools](#) still charging project fees.

It's tempting to support the government's decision to ostensibly make schooling more affordable for parents; but there are numerous reasons why it's a bad idea.

For a start, it's policy on the run. Schools had little time to implement the policy; by the time it had been announced many schools [feared that they would not receive](#) any revenue, as TFF subsidy payments sometimes arrive late (this fear was justified, given that 13,000 public schools are now [threatening to close down](#) [pay wall] as a result of many not receiving their first 2015 subsidy payment in full). This meant that despite Kuman's directive, some charged project fees to ensure their school had the finance required to operate. In one Southern Highlands school [parents voluntarily paid](#) [pay wall] project fees to assist in the improvement of school infrastructure.

Such policy is in turn unnecessarily confusing for all involved. In a [previous post](#), Anthony Swan and I argued that the clear communication of the 2012 TFF policy helped to make it more successful than previous attempts at 'free education'. In 2012, policy makers clearly stated that only school fees would be abolished, while project fees would continue. Previous attempts at 'free education' failed in PNG, in part, because they did not make this distinction - this new policy risks creating the same sort of confusion.

The new policy will also drain schools of funds. The government has not allocated any more funding to compensate schools directly (although it has set aside more district funds –the problem with this is discussed below). The report, [A Lost Decade?](#), which reviewed the state of primary schools and health facilities throughout PNG between 2002 and 2012, found that project fees are still important. The average official project fee in 2012 was 26 kina per student; in very remote schools, which require more funds to make up for higher costs of running the school, it rose to 57 kina. Taking away these funds will likely discriminate against needy schools.

Schools that charge project fees do not collect them from everyone. Indeed, *A Lost Decade?* found that while schools on average officially charged 26 kina per student in project fees, they collected less than half of that amount. This is because students who are unable to pay are generally exempted from penalty: in 2012, only 3 per cent of students had to leave school or could not advance to the next grade if they did not pay fees. So, arguments about making school more accessible by cutting project fees are less relevant given that most schools already have mechanisms in place to excuse the needy.

The new policy is also troubling as it reduces the capacity of schools to manage their own finances. Schools have well-established management structures in their Board of Management (BoM) and Parent and Citizens Committee. While these institutions could be improved, they have helped to convert education funding into improved school infrastructure. [Chapter 8](#) [pdf] of *A Lost Decade?* finds that when the BoM has the most say over building classrooms, classrooms and schools are significantly more likely to be better built. The report also suggests that schools outperformed health facilities between 2002 and 2012 because they had these local-level institutions, whereas health facilities did not.

Rather than allow schools to retain decision making over major infrastructure, the government wants this function to be taken up by the newly established District

Development Authorities (DDAs). DDAs will be based on the same management system that oversees the District Services Improvement Program. Out of the 15 million kina to be available for each of the 89 DDAs, 3 million kina has been earmarked for education in the 2015 budget. These funds will be spent on infrastructure projects.

However, the DDAs are unlikely to provide many schools with what they need. They, like the system before, put the power to allocate funding [into the hands of the district MP](#). Many schools will be marginalised in this decision making process. Turning again to *A Lost Decade?* for evidence, in 2012 two-thirds of school Head Teachers reported that this system was unfair, and a similar percentage said that schools should be able to apply for funding directly, rather than rely on the decision of MPs. Instead of channelling funding through DDAs, the government should be looking at developing institutions that can make decisions about infrastructure funding that link to existing school management committees, and keep MPs out of the decision making process. Or at least – given the entwinement of service delivery and politics in PNG – mitigate their influence.

In sum, project fees give schools greater flexibility to direct funding where it is needed. Taking away these funds could unravel some of the achievements of the TFF scheme, the PNG government's flagship education policy.

Grant W Walton is a Research Fellow with the Development Policy Centre.

About the author/s

Grant Walton

Grant Walton is a Fellow at the Development Policy Centre and Chair of the [Transnational Research Institute on Corruption](#). He is the author of [Anti-Corruption and its Discontents: Local, National and International Perspectives on](#)

[Corruption in Papua New Guinea.](#)