**Tuition fee increases**

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WHEN inflation has been above 10 per cent for some years, is expected to be around 30pc this year, and is set to range from 20pc to 25pc next year, by how much should schools and universities increase their tuition and other fees? There was a court decision some years back that allowed private schools to increase their tuition fees but by no more than 5pc every year. However, this decision is from a time when inflation rates were much lower in the country. Would the same increase still apply? Is there a need for schools to go back to the courts to get the judgement changed? Or will theyjust go ahead and raise theirfees as they deem necessary? Clearly, with inflation reaching25pe to 30pceachyear,private schools and universities cannot increase their fees by 5pc only.  
  
The case of universities is a separate issue though. The judgement pertained to schools only and not to universities. There is no private university in the country that has any sizeable endowment. Most private universities for or not for profit depend on their tuition fees to manage expenses. University costs will go up, keeping pace with the level of inflation.  
  
Faculty and staff salaries will need to increase substantially to cover inflation pressures as well. So, universities will have to increase theirfees to cater to higher costs.  
  
The same argument will apply to private schools as well. All of their costs are going up and if they want to retain their teachers, they will have to pay them more as well. Tuition fees will have to go up. But here there is the 5pc judgement. Most schools will have to raise their tuition fees by more than 5pc, but how much will it be? And will the courts take suo motu notice, in case schools raise their fee by more than 5pc? The public sector will also feel the pinch but in a different way. All schools in the public sector, up to Grade 12, are tuition-free. The gov-ernment, through general taxation, covers the costs. The costs will go up. Will the education budget go up, too, by 30pc or so? Given the government`s current financial position (we cannot even afford Rs21 billion for elections currently!), it is unlikely that the education budget will be increased by 30pc. So cuts will be needed. Most likely, teacher salaries will go up only by 15pc to 20pc. And the government might increase non-salary expenses by a small percentage, or just give what they gave last year. In either case, there will be a reduction in the real budget for education and this will have consequences for the quality of education.  
  
We are already seeing some impact. All governments in Pakistan were distributing free textbooks in all public-sector schools. Printing costs have gone up substantially over the last couple of years. Governments have not been able to raise allocations for textbooks by much, and so in many provinces, textbook printing has either been suspended by the printers until the arrears are cleared, or the government comes up with a new policy on free textbooks. In all probability, governments will try to get away with printing fewer books and arguing that internet access to textbooks might suffice, or something to that effect. Not having textbooks in schools will definitely have an impact on education.  
  
Public-se ctor universities have been hurting for a number of years now and the story is not going to change this year either. Higher education funding and funds for the Higher Education Commission have been reduced over the last few years. It is hard to see the trend changing. At the same time, federal and provincial governments have been creating new public-sector universities. So, where funds have been decreasing, the number of universities in the public sector has been going up.  
  
Inflation, too, is high and is expected to remainso. Under these conditions, if public-sector universities are not allowed to raise their tuition and other fees by much, how can they ensure quality education? Some are already having difficulties paying salaries and pensions. The crisis is going to deepen this year and will, in all probability, result in severe damage to even some of the older and larger public-sector universities.  
  
Private education institutions, schools and universities, will have to raise their tuition and other fees more or less in line with inflation. So, we can expect an approximately 50pc adjustment over this and the next year. This is going to play havoc with the quality of education. It is going to have an impact on who will or will not be able to study in these institutions. It will impact the ability of these institutions to offer financial assistance as well. But there does not seem to be a way around the issue. Apparently, the state does not even have the money to look after its own institutions, and it is unlikely that it will do anything for institutions in the private sector or help the students studyingthere.  
  
The real fear is that the progress we had been making, even if slow and painstaking, in terms of overall enrolment, completion rates and quality enhancement, is very likely to get reversed as long as the financial crisis lasts.  
  
And the government, despite all its rhetoric about the importance of education, is not going to do anything about it. We will, if nothing is done, be set back by decades, and those who fall in the school-/university-going age category at the moment, will, together with their families and society at large, have to bear the consequences for decades to come.  The writer is a senior research fellow at the Institute of Development and Economic Alternatives, and an associate professor of economics at Lums.