



CONSUMERS ASSOCIATION OF SINGAPORE

新加坡消费者协会

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MEDIA RELEASE

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CASE CLARIFIES ON COMPLAINT LODGED BY STANSFIELD COLLEGE

The Consumers Association of Singapore (CASE) refers to the press release by Stansfield College and wishes to make the following clarifications.

The Student Protection Scheme (SPS), administered by CASE under the CaseTrust for Education scheme, is part of the Education Excellence Framework launched by the Economic Development Board (EDB) in December 2004. It is a scheme that serves to protect the students' fees in the event a private education organisation (PEO) is unable to continue operations due to insolvency, and/or regulatory closure. Furthermore, the SPS protects the student if the PEO fails to pay penalties or return fees to the student arising from judgments made against it by the Singapore courts. As an appointed administrator of the scheme, CASE works with INCOME, DBS and HSBC, the three service providers who were there at the inception to run the SPS. Therefore, we strongly object to Stansfield College's allegation that implies CASE appointed INCOME and the two other banks in the SPS scheme or that CASE has the power to appoint any other banks or insurers in the SPS.

There are two options and three service providers for private schools to choose from under the scheme, thus it is not monopolistic as Stansfield College has claimed. One option is to take up insurance with NTUC Income to protect the fees of the students. The other option is to use the Escrow scheme provided by DBS and HSBC.

Since the matter has been referred to Competition Commission of Singapore (CCS), we shall await the Commissioner's decision.