

Budget 2012: Free Primary, Secondary Education In Government Schools From 2012
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KUALA LUMPUR, Oct 7 (Bernama) -- Education in government primary and secondary schools in the country will be free from the 2012 school year, Datuk Seri Najib Tun Razak said today.

The prime minister said this was to ensure that all Malaysian children irrespective of their socio-economic background had access to quality and affordable education.

"Currently, students in primary and secondary schools are still required to pay RM24.50 and RM33.50, respectively, for co-curriculum, internal test papers, Malaysian Schools Sports Council fees and insurance premium. These payments will be abolished from 2012," he said when tabling the 2012 Budget proposals in the Dewan Rakyat.

"With this announcement, for the first time in history, primary and secondary education is provided free," he added.

Najib's announcement was greeted with applause by MPs in the house.

Najib, who is also finance minister, said the abolition of the payments would involve an allocation of RM150 million.

He also said that the education sector would be allocated RM50.2 billion in 2012.

For the Education Ministry, he said, development allocation amounting to RM1.9 billion would be spent on all types of school consisting of national schools, national-type Chinese and Tamil schools, mission schools and government-assisted religious schools.

In addition, he said, RM1 billion would be provided through a special fund for the construction, improvement and maintenance of schools, particularly to cater for the immediate needs of schools.

Of this, RM100 million each would be for the national-type Chinese schools, national-type Tamil schools, mission schools, government-assisted religious schools and Mara junior science colleges, and the remaining RM500 million for national schools, he said.

Najib said the government proposed that private schools registered with the Ministry of Education and complying with stipulated regulations be given incentives as the private sector also played an important role in providing quality education towards creating an excellent future generation.

The incentives are income tax exemption of 70 per cent or Investment Tax Allowance of 100 per cent on qualifying capital expenditure for a period of five years; double deduction for overseas promotional expenses to attract more foreign students; and import duty and sales tax exemptions on all educational equipment.

"The government hopes that the savings accrued to the private school operators will

subsequently result in the reduction of school fees to ease the burden of parents," he said.

Najib said tax deductions would be given to companies and individuals providing financial contributions to upgrade school facilities.

"This facility will be extended to all registered places of worship. The government will expedite tax exemption approvals for education institutions and all places of worship," he said.

In addition, he said, the private sector is encouraged to work together in strengthening the development of high-skilled human capital.

To achieve this, he said, the government proposed tax incentives, namely double deduction on allowances paid by companies to the participants of internship programmes; double deduction on scholarship awards, and double deduction on expenses incurred to participate in career fairs abroad.

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