

立法會
Legislative Council

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seen by the Administration)

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Finance Committee of the Legislative Council

Minutes of the 2nd meeting
held at the Legislative Council Chamber
on Friday, 17 November 2000, at 2:30 pm

Members present:

Dr Hon Philip WONG Yu-hong (Chairman)
Hon NG Leung-sing (Deputy Chairman)
Hon James TIEN Pei-chun, JP
Hon Cyd HO Sau-lan
Hon Albert HO Chun-yan
Ir Dr Hon Raymond HO Chung-tai, JP
Hon LEE Cheuk-yan
Hon Eric LI Ka-cheung, JP
Hon Fred LI Wah-ming, JP
Hon David CHU Yu-lin
Dr Hon LUI Ming-wah, JP
Prof Hon NG Ching-fai
Hon Margaret NG
Hon Mrs Selina CHOW LIANG Shuk-ye, JP
Hon James TO Kun-sun
Hon CHEUNG Man-kwong
Hon HUI Cheung-ching
Hon CHAN Kwok-keung
Hon CHAN Yuen-han
Hon Bernard CHAN
Hon CHAN Kam-lam
Hon Mrs Sophie LEUNG LAU Yau-fun, SBS, JP
Hon LEUNG Yiu-chung
Hon SIN Chung-kai
Hon Andrew WONG Wang-fat, JP
Hon WONG Yung-kan
Hon Jasper TSANG Yok-sing, JP
Hon Howard YOUNG, JP

Dr Hon YEUNG Sum
Hon YEUNG Yiu-chung
Hon LAU Chin-shek, JP
Hon LAU Kong-wah
Hon LAU Wong-fat, GBS, JP
Hon Mrs Miriam LAU Kin-ye, JP
Hon Ambrose LAU Hon-chuen, JP
Hon Emily LAU Wai-hing, JP
Hon CHOY So-yuk
Hon Andrew CHENG Kar-foo
Hon SZETO Wah
Hon LAW Chi-kwong, JP
Hon TAM Yiu-chung, GBS, JP
Dr Hon TANG Siu-tong, JP
Hon Abraham SHEK Lai-him, JP
Hon LI Fung-ying, JP
Hon Henry WU King-cheong, BBS
Hon Tommy CHEUNG Yu-yan, JP
Hon Michael MAK Kwok-fung
Hon Albert CHAN Wai-yip
Hon LEUNG Fu-wah, MH, JP
Dr Hon LO Wing-lok
Hon WONG Sing-chi
Hon IP Kwok-him, JP
Hon LAU Ping-cheung

Members absent:

Hon Kenneth TING Woo-shou, JP
Hon Martin LEE Chu-ming, SC, JP
Dr Hon David LI Kwok-po, JP
Hon Timothy FOK Tsun-ting, SBS, JP
Hon Frederick FUNG Kin-kee

Public officers attending:

Mr Stanley YING, JP	Deputy Secretary for the Treasury (1)
Miss Elizabeth TSE	Deputy Secretary for the Treasury (3)
Mr K K LAM	Principal Executive Officer (General), Finance Bureau
Mr John LEUNG	Principal Assistant Secretary for Education and Manpower (9)
Mr J D WILLIS	Controller, Student Financial Assistance Agency

Mr K M LAU	Principal Education Officer (Curriculum Development Institute), Education Department
Mr Raymond YOUNG, JP	Deputy Secretary for Education and Manpower
Mrs Avia LAI	Principal Assistant Secretary for Education and Manpower (3)
Mr M Y CHENG	Assistant Director of Education

Clerk in attendance:

Ms Pauline NG	Assistant Secretary General 1
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Staff in attendance:

Miss Polly YEUNG	Chief Assistant Secretary (1)3
Ms Sarah YUEN	Senior Assistant Secretary (1)4

Item No. 1 - FCR(2000-01)41

**RECOMMENDATIONS OF THE PUBLIC WORKS
SUBCOMMITTEE MADE ON 25 OCTOBER 2000**

The Committee approved the proposal.

Item No. 2 - FCR(2000-01)42

HEAD 173 - STUDENT FINANCIAL ASSISTANCE AGENCY

◆ Subhead 153 Textbooks and stationery grants

2. Noting that under existing arrangements, the first payment under the School Textbook Assistance Scheme (STAS) was disbursed in early December each year, Mr CHEUNG Man-kwong said that this would create hardship for families with financial difficulty as they might need to first borrow money to meet textbook expenses at the start of the new school year. He considered that apart from students proceeding to Primary 1, Secondary 1 or 4, the majority of students would continue their studies in the same school and there was little justification for not making payment at an earlier date. Mr CHEUNG thus urged the Administration to critically review the existing arrangements with a view to advancing payment as far as possible to provide timely assistance to needy families.

3. In response, the Controller, Student Financial Assistance Agency (C, SFAA) gave the following explanation in connection with the present arrangements -

- (a) Public funds must be disbursed in a prudent manner to those who were genuinely qualified. Hence, whilst it might be feasible to advance payment under STAS as suggested, such a schedule would not allow SFAA to verify before payment whether assistance was in fact being provided to ineligible students, e.g. those who did not proceed to the next form. The policy and financial implications of adopting such a disbursement mechanism would require further consideration and possibly the agreement of all parties concerned, including the Executive Council (ExCo) and the Legislative Council (LegCo).
- (b) At present, application for assistance under STAS, the Senior Secondary Fee Remission Scheme (SSFRS) and the Student Travel Scheme were made and processed in one single application form. If disbursement under STAS was to be advanced, separate applications under the different schemes would be required.
- (c) The application process had in fact been advanced as application forms were distributed to schools in June 2000 so that completed forms could be processed by the schools during the summer vacation. The earlier receipt of the forms by SFAA had enabled applications under the SSFRS to be processed earlier. As a result, the remission of fees under the Examination Fee Remission Scheme was also advanced by about three weeks. This improvement helped to avoid the need for some students to pay their examination fees first and subsequently obtain a refund from the Hong Kong Examinations Authority through their school. On this occasion, payment under STAS could be made prior to December if not for insufficient funds under STAS.

4. Mr CHEUNG Man-kwong and Mr SZETO Wah stressed the importance of early disbursement for the needy families. Miss Emily LAU shared their concern and urged the Administration to review the matter expeditiously. Mr CHEUNG considered the Administration's approach too bureaucratic, while Mr SZETO Wah questioned the need to involve the ExCo and LegCo as disbursement was only an administrative arrangement. In reply, C, SFAA explained that the disbursement of financial assistance to applicants prior to the start of the school year in the absence of a clear confirmation of eligibility from schools would have implications on the principles governing the use of public funds. The matter therefore might require consideration by ExCo and LegCo. Mr CHEUNG pointed out that since the schools had already processed the applications in the summer vacation, disbursement could be done in September,

instead of December. This would already be a great help to families with financial difficulty and at the same time would not infringe on the Government's policy on the disbursement of public funds.

Admin 5. The Principal Assistant Secretary for Education and Manpower (9) (PAS(EM)9) and C, SFAA replied that the Administration would be prepared to consider members' views.

6. On the manpower implications, C, SFAA advised that at present, the STAS covered some 1 280 schools involving some 370 000 applicants. Schools had all along assisted in the distribution and collection of application forms and in checking some of the documents before forwarding them to SFAA.

7. In this connection, Miss Emily LAU asked whether the Administration would actively consider relieving teachers of the work in processing applications under STAS as teachers already had a heavy workload. In reply, C, SFAA advised that if all the processing work was to be transferred from schools to SFAA, the Agency would need to substantially increase its existing staff size of 20. The Deputy Secretary for the Treasury (1) further confirmed that the Administration had discussed with school authorities and teachers on how to simplify the workflow and bring about improvement. One example was the early issuance of application forms this year before the summer vacation. He assured members that the Administration would continue to seek to simplify and streamline the application procedures.

8. Mr Howard YOUNG noted that part of the reasons for the present proposal was a 13.5% increase in the cost of textbooks at the primary level, of which 9.5% was due to additional books required for the progressive introduction of the teaching of Putonghua and computer studies and target oriented curriculum; and 4% due to price increase. Mr YOUNG enquired whether the 9.5% was expected to be one-off, or an ongoing increase. He also observed a downward trend in printing prices and asked whether the 4% rise was specific to the printing of textbooks.

9. In reply, C, SFAA advised that the 9.5% rise reflected the phased implementation of the various new curricula taking place in schools. As regards the 4% price increase, C, SFAA pointed out that according to the survey conducted by SFAA, there had been an increase in textbook prices and such findings were comparable to the findings of the survey on textbook prices conducted by the Consumer Council a few months ago.

10. Mr YEUNG Yiu-chung considered the supplementary provision of \$51 million being sought quite substantial and enquired on the major reasons for the discrepancy between the original and the revised estimates.

11. In response, C, SFAA attributed the under-estimate, mainly for Full Grant, to the methodology being used in which projections were being made on the basis of the take-up rate of the previous year as indicated in the October 1999 initial results. Moreover, the present application results reflected the financial position of the applicants in the 1999-2000 financial year but not the current year.

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12. Mr Andrew WONG suggested that the Administration should seriously look into the feasibility of providing schools with textbooks for use by students. In response, PAS(EM)9 advised that in view of limited resources for competing priorities, it would be necessary for the Administration to examine carefully the resource implications for different options. He nevertheless took note of Mr WONG's suggestion for further consideration.

13. Mr Andrew WONG remarked that if the expenditure under STAS was considered unavoidable and hence, should not be cash limited, then, for such expenditure items, which were normally designated as asterisk (*) items in the Government's Annual Estimates, funding requirements should be met without having to seek Finance Committee's (FC's) approval. Mr WONG's point was noted by the Administration.

14. The Committee approved the proposal.

Item No. 3 - FCR(2000-01)43

HEAD 40 - EDUCATION DEPARTMENT

- ◆ **Subhead 185 Subject and curriculum block grant for government schools**
- ◆ **Subhead 300 Code of Aid for primary schools**
- ◆ **Subhead 305 Code of Aid for secondary schools**
- ◆ **Subhead 320 Code of Aid for special schools**
- ◆ **Subhead 325 Direct Subsidy Scheme**
- ◆ **Subhead 330 Assistance to private secondary schools and bought places**
- ◆ **Subhead 489 Miscellaneous educational services**

15. Noting that the Capacity Enhancement Grant (CEG) might be used for recruiting teaching and supporting staff, Mr CHEUNG Man-kwong asked whether qualified teachers recruited by schools under the CEG would be paid in accordance with the salary scale for qualified teachers and be granted annual increments, where applicable. Dr TANG Siu-tong sought similar information in the case of general clerks.

16. In reply, the Deputy Secretary for Education and Manpower (DS(EM)) confirmed that upon FC's approval of the present proposal, a circular would be

issued to primary and secondary schools announcing all the detailed arrangements. In case qualified teachers were recruited to take up normal teaching duties, they must be paid in accordance with the relevant salary scales and be granted increments where applicable. In case of non-compliance with the said requirement, the Education Department (ED) would require the school concerned to rectify the situation. Mr CHEUNG Man-kwong expressed satisfaction with the aforesaid arrangement. As regards general clerks, DS(EM) advised that schools would not be required to pay them in accordance with the salary scale for the clerical grade.

17. In response to Mr CHEUNG Man-kwong's concern about the need for schools to fully consult their teachers when considering how the CEG should be used, the Assistant Director of Education (AD of E) assured members that ED had, through all existing channels, reiterated to schools the requirement for full consultation with teachers. If schools did not adhere to the consultation requirement, ED staff would take action to require the schools to rectify the situation.

18. Mr Henry WU King-cheong concurred with the disbursement of the proposed CEG on an annual and recurrent basis. However, in view of the substantial resources involved, he enquired about the performance indicators, especially in subsequent years of implementation, for ensuring the cost-effectiveness of the CEG in achieving its objectives, as well as the consequences of schools' failure to achieve the targets.

19. In response, DS(EM) assured members that schools in receipt of the CEG would be required to incorporate the proposed usage of the CEG and the criteria for assessing the effectiveness of the Grant in their Annual School Plan to be endorsed by their School Management Committee. The Regional Education Offices of ED would also monitor progress by scrutinizing the said Annual School Plans and related reports. DS(EM) further advised that while the Administration would encourage school-based assessment, ED also conducted quality assurance inspections on a regular basis. The Administration would encourage schools to adopt the performance indicators under the quality assurance inspections, such as students' attainment, school management and organization, support for students and school ethos.

20. To facilitate monitoring of the effectiveness of the CEG in relieving teachers' workload, Miss Emily LAU asked whether information was available on the proportion of teaching and non-teaching duties performed by teachers. Mr SZETO Wah also pointed out that even if with the new funding, teachers' burden might not be alleviated if the Administration continuously seek to impose new non-teaching duties on them.

21. DS(EM) advised that ED had conducted a survey which covered the proportion of non-teaching duties being performed by teachers. While

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circumstances of individual schools varied, it was found that non-teaching duties accounted for over 10% of teachers' workload. However, AD of E pointed out that it would be difficult to prescribe a limit on all non-teaching duties as teaching and non-teaching duties were closely related and difficult to separate. The Administration was aware of members' concern on teachers' workload. Following the survey on teachers' workload, ED had already worked on the re-engineering of work processes to streamline various work procedures. AD of E agreed to provide the findings, including examples of good practices on process re-engineering, of the aforesaid survey.

22. As to whether the review of the CEG scheduled for the 2002-03 school year could be advanced, DS(EM) advised that the funding arrangements as a whole would be reviewed in 2002-03. However, the Administration would closely monitor the operation of CEG on an annual basis in the light of the feedbacks from schools.

23. In reply to Miss Emily LAU's enquiry on whether teachers' non-teaching duties had been on a rising trend in the past decade or so, DS(EM) advised that as far as the Administration was aware, there had not been a visible growth trend in teachers' non-teaching workload. However, teachers' teaching duties had increased, partly due to the implementation of various initiatives arising from the education reform. The Administration would closely monitor the situation.

24. Regarding how to deploy the additional teachers to relieve the workload of existing teachers, DS(EM) and AD of E advised that individual schools might adopt different approaches to suit their own needs. For example, the school might deploy the additional teacher to take up the normal teaching duties of an existing teacher so that the latter could concentrate on specific reform initiatives such as curriculum development or information technology in teaching. The additional teacher might also be deployed to assist one or more existing teachers.

25. Mr Tommy CHEUNG Yu-yan queried the fairness of using "19 classes" as the cut-off point for determining the level of grant for schools as he considered that under such a funding arrangement, it would seem that small schools would be entitled to a proportionately higher level of grant than large schools.

26. In response, DS(EM) advised that the threshold of "19 classes" had been adopted in the provision of other services/resources to schools, such as School Librarians. DS(EM) further said that this arrangement had worked to the satisfaction of all parties concerned. AD of E supplemented that the number of classes referred to the number of operating classes but not the number of classrooms as some schools might operate on a bi-sessional basis. As to whether the level of grant should be proportionate to the size of the schools, he

pointed out that the costs would be similar among the two types of schools in question.

27. In reply to Dr TANG Siu-tong's enquiry about the disbursement method and intended uses of the CEG, DS(EM) confirmed that the Grant would be disbursed to schools upon receipt of their request. Apart from hiring additional teaching or non-teaching staff, schools could also use the CEG to procure outside services to assist in undertaking the critical tasks identified in the education reform. Where the CEG was insufficient to meet the needs of the school, AD of E said that schools would be advised to also make use of other funding arrangements, such as the Operating Expenses Block Grant and the subject and curriculum block grant approved by FC in May 2000.

28. The Committee approved the proposal.

29. The Committee was adjourned at 3:40 pm.

Legislative Council Secretariat
9 January 2001