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**LegCo Panel on Education**

**Report of the Subcommittee on increase in  
post-secondary education opportunities**

**Purpose**

This paper reports on the deliberations of the Subcommittee on increase in post-secondary education opportunities.

**Background**

2. In his 2000 Policy Address, the Chief Executive announced that -
  - (a) within ten years, 60% of senior secondary school leavers should have access to tertiary education;
  - (b) in achieving the target, the Government would facilitate tertiary institutions, private enterprises and other organisations to provide options other than traditional sixth form education such as professional diploma courses and allocate more resources by providing land and one-off loans to those institutions interested in offering such courses;
  - (c) the Government would extend the scope of assistance offered to students under the Non-means-tested Loan Scheme and low interest loan scheme, and would offer fee remission to the most needy students; and
  - (d) the Government needed to build a flexible higher education system that offered various channels and different modes of learning, so that everyone could pursue continuing education at different stages of life.
  
3. The Administration presented its proposals to support the progressive increase in post-secondary education opportunities at the meeting of the Panel on 23 April 2001. The Panel considered that the proposals contained policy issues with far-reaching implications which needed to be studied carefully. Members of the Panel

decided to form a subcommittee under the Panel to discuss with the Administration proposals to support the increase in post-secondary education opportunities.

### **The Subcommittee**

4. The Subcommittee comprises 10 members of the Panel and Dr Hon YEUNG Sum was elected Chairman. The membership of the Subcommittee is in **Appendix I**. The Subcommittee has held two meetings with the Administration and met with representatives from the Hong Kong Council for Academic Accreditation (HKCAA), Federation for Continuing Education in Tertiary Institutions (the Federation), Education Commission's Working Group on the Development of Post-secondary Education (the Working Group), Hong Kong Association for Lifelong Education and Convocation of the Chinese University of Hong Kong at one of the meetings.

### **Deliberations of the Subcommittee**

5. The Subcommittee has examined the principles and development strategy to be adopted in achieving the policy objective of providing 60% of secondary school leavers with post-secondary opportunities. Members are supportive of the direction of expanding the provision of post-secondary education. However, they consider that the proposed substantial increase in post-secondary opportunities is practicably achievable only if the Administration can put forward very concrete plans to achieve the target. Members are of the view that the quality of students and post-secondary programmes should be ensured while increasing quantity. Members also express concern about the financial implications in achieving the target of 60%. In response, the Administration has outlined in greater detail the Government's proposals to enhance the quantity and quality of post-secondary education. A gist of the deliberations is summarised in the following paragraphs.

#### Planning target

6. Members note that all the deputations have expressed support for the direction of widening access to higher education. The Federation is of the view that the target of 60% is a modest one and is achievable on self-financing basis if there are community-wide support, financial assistance to students and start-up assistance to non-profit-making course providers. The Working Group in fact considers the target of 60% too low as compared with neighbouring advanced cities and given that Hong Kong's economy has undergone a restructuring, moving from manufacture-based to services-based. There is an urgent need for the education system to complement such a change. However, members also note that divided views were expressed in an opinion survey conducted by the Convocation of the Chinese University of Hong Kong on the policy objective of providing tertiary education to 60% of secondary school leavers within 10 years. Some respondents to the opinion survey expressed concern as to whether student quality could be ensured while increasing quantity.

7. Members do not dispute the need and merit to expand the provision of post-secondary education. Although members welcome the Government's investment in education, they consider that the Administration should only seek to achieve the target of 60% with flexibility.

8. Some members note that the target of 60% has not been discussed by the Education Commission (EC). They query how the target is determined. These members are of the view that as the policy objective will have far-reaching implications on the education system in Hong Kong, the community should have been consulted. Members also point out that as only about 30% of the 17-20 age cohort at present has access to local, publicly-funded higher education, the Government will need to provide post-secondary education opportunities for around 30 600 students by 2010-11 to keep in pace with the projected population increase. They have reservations about whether such a drastic increase in post-secondary opportunities is practicably achievable.

9. The Administration has responded that although the EC did not discuss the target of 60%, the need to upgrade human resources in order to maintain the competitive edge of Hong Kong is widely recognised by the community. The Administration has further pointed out that relevant percentages of the United States, Taiwan and Singapore are 80%, over 70% and 60% respectively. The Administration has already consulted the Federation which indicates that an annual increase of 3 000 post-secondary places is achievable. The Administration therefore considers the target of 60% a prudent figure. However, the target of 60% is only an indicative target which will be reviewed in five years' time.

10. As regards the feasibility to achieve the target, the Administration has informed the Subcommittee that there will be a substantial increase in self-financing sub-degree places to be offered in 2001-02. The current and planned intakes to full-time, self-financing post-secondary places (including Associate Degree and Higher Diploma programmes) are in **Appendix II**.

11. Members also express concern about the progression pathways of AD programmes. They point out that as the number of first-year first-degree (FYFD) places at the eight University Grants Committee (UGC)-funded institutions is fixed at 14 500, these institutions may only be able to admit very few graduates of AD programmes to the second year of their degree programmes. Members stress that students should not be given a misconception that graduates of AD programmes can have direct admission to degree programmes.

12. The Administration has advised that AD graduates may further their studies or pursue professional development on a full-time or part-time basis. All the current AD programme providers have credit transfer, articulation and direct admission arrangements with many universities. For instance, over 10 universities have agreed to accept graduates of the AD programmes of the Hong Kong Baptist University for

direct admission to their degree programmes. Locally, the Open University of Hong Kong is ready to expand its capacity to admit associate degree graduates. In addition, many non-local institutions are offering part-time, top-up degree and professional programmes that target at sub-degree qualification holders. Institutions also have discretion to over-enrol by a certain margin without detriment to quality. They are also encouraged to offer more self-financing top-up degree programmes to meet rising demand by AD graduates. The Administration has also pointed out that AD is designed as a programme with multiple-entry and multiple-exit. A post-secondary qualification is by itself a useful qualification for the purpose of employment and future continuous professional development. No education system in the world seeks to ensure that all post-secondary programmes are articulated with full-time first degree programmes.

13. As regards the need to dovetail with university education, the Administration has agreed that certain proportion of AD graduates should be able to enrolled in degree programmes. The Administration has informed the Subcommittee that the articulation arrangements between sub-degree and degree programmes will be examined in greater detail in the context of the wider implementation of a credit accumulation and transfer system in Hong Kong. In the meantime, UGC-funded institutions may make full use of their wastage, which accounts for 590 undergraduate places (or 1.3%) in 1999-2000, to admit AD graduates to their second year degree studies. Institutions also have discretion to over-enrol by a certain margin without detriment to quality.

14. Some members point out that the increase of post-secondary places particularly AD programmes will have implications on the current academic structure. They ask whether implementation of four-year first degree programmes needs to be expedited. The Administration has advised that relevant working groups of the EC are examining the feasibility of a three-year senior secondary education and its impact on the first-degree programme. They will submit recommendations to the Government in 2002. The Administration has further pointed out that the curriculum reform which puts emphasis on diversity, lifelong learning and all-round development will aptly articulate with the new post-secondary programmes to be offered.

15. Members note that the Federation has proposed that the qualification of AD should be equivalent to half of a university degree on the premise of a four-year first degree programmes. Students should be able to enrol into the AD programmes after completion of secondary six studies. During the interim period, the Federation has proposed to introduce a Higher Education Foundation Certificate. This foundation programme will widen the access for secondary five school leavers to pursue AD programmes other than through the secondary six route. The Working Group has advised the Subcommittee that it is working on the premise of a three-year senior secondary academic structure. However, it is considered that universities should determine the duration of stay for their first degree programmes in accordance with the actual circumstances and requirements of each programme without having to standardise all the first degree programmes to four years.

## Quantity

16. The Administration has informed the Subcommittee that the Administration will explore measures in four different directions to foster the development of a diversified higher education system in Hong Kong. The Administration has stressed that the immediate focus will be the first direction i.e. to encourage local institutions to provide more post-secondary places in Hong Kong beginning in 2001-02. However, the Administration will explore the possibilities of pursuing the remaining three directions e.g. encouraging local providers to offer programmes outside Hong Kong and encouraging overseas universities to set up a branch in Hong Kong.

17. Members have expressed concern that apart from the First Direction, the Administration has not put forward concrete initiatives in respect of the remaining three Directions. Some members consider that the Administration is in a rush to put forward the proposals on the basis of very preliminary ideas simply to meet the target set by the Chief Executive. They also express doubts as to whether overseas universities will consider setting up a branch in Hong Kong and whether students from Hong Kong will choose to study in campuses set up by local institutions outside Hong Kong. Members make it clear that they should not be considered as supporting these Directions even if they indicate support for the financial proposals in respect of the student financial assistance.

18. In response, the Administration provided supplementary information on the detailed initiatives being pursued in each of the four directions. The Subcommittee was informed that local institutions are encouraged to collaborate with non-local providers so that students can earn part of their credits outside Hong Kong. A summary of the initiatives taken in pursuit of the four directions provided by the Administration is in **Appendix III**. For instance, the Open University of Hong Kong has set up a branch office outside Hong Kong and is offering courses in 15 locations in the Mainland. The Hong Kong Polytechnic University, in collaboration with a Mainland university, is establishing an international college in Zhuhai which will offer sub-degree programmes targeting at Mainland and Hong Kong students. A few major Indian information technology (IT) training institutes also plan to partner with local institutions to offer IT courses in Hong Kong.

19. Some members consider that the Administration should have worked out a projection of the progressive increase of post-secondary places on a yearly basis for the next ten years. The Administration has responded that as the new places will not be publicly-funded, it does not have any planned intake or interim targets during the 10-year period. The pace of development will depend on actual demand and supply of places, acting on market forces. Based on the latest information available, the projected intakes of full-time, self-financing sub-degree programmes in 2001 and 2010 will be 6 570 and 30 600 respectively. Assuming that the number of student places will increase progressively on a straight-line basis, the Administration has provided the projected increase of post-secondary places in the next ten years in **Appendix IV**.

## Quality

20. Members share the view of the deputations that it is of equal importance to ensure quality of the post-secondary programmes while increasing quantity. Some members indicate that they will only support the financial proposals in respect of student financial assistance if they are satisfied that the programmes and students are of good quality. The Administration has pointed out that the assistance will be confined to programmes that are accredited and lead to a qualification at or above the levels of higher diploma, associate degree and/or professional diploma.

21. The Administration has also presented a proposed quality assurance mechanism for post-secondary courses to the Subcommittee, the main features of which are as follows -

- (a) Accreditation will be a prerequisite for receiving Government financial assistance.
- (b) Self-accrediting institutions will accredit its programmes using its internal quality assurance mechanism.
- (c) Non-self-accrediting institutions have to submit courses for accreditation by the HKCAA or other recognised accreditation bodies.

22. The Administration has further pointed out that most new post-secondary programmes during the initial period will be offered by the UGC-funded institutions and the Open University of Hong Kong which are self-accrediting institutions (except the Hong Kong Institute of Education). Other institutions such as the Caritas Francis Hsu College and Vocational Training Council must undergo external accreditation mechanism in order to offer new post-secondary programmes.

23. As regards the recognition of AD programmes, the Administration has informed the Subcommittee that the HKCAA and the Federation have conducted their studies to draw up a set of common descriptors for AD and equivalent qualifications from the perspectives of accreditation bodies and educational providers respectively and that their recommendations on the common descriptors are broadly the same. Henceforth, all local AD courses will adopt the same set of common descriptors in terms of programme structure, curriculum design, entrance requirements, learning outcome and exit qualifications.

24. Some members are particularly concerned about the quality of AD courses offered by non-self-accrediting institutions. Some members indicate that they may consider supporting financial proposals in respect of student financial assistance only if the assistance is confined to programmes offered by self-accrediting institutions. The Administration has advised that non-self-accrediting institutions aspiring to offer AD programmes should first undergo an academic review at the institutional level. This will be followed by accreditation of the proposed AD programmes. For programmes offered by both self-accrediting and non-self-accrediting institutions, the validation process also extends to the monitoring of the student exit standards.

25. Members are also concerned whether there is a sufficient number of students suitable to pursue tertiary education given that there are already complaints about the standard of university students. Some members are of the view that Government should first make use of the scarce resources to improve the quality of primary and secondary education.

26. Members note the view of some deputations that a large number of students who score reasonable results in the Hong Kong Certificate of Education Examination but cannot proceed further because of the lack of education opportunities. Furthermore, the combination of broad-based, generic knowledge/skills and specialised/vocational knowledge/skills inherent in AD should help such students to succeed in employment and further study. Some deputations are of the further view that students not performing well in conventional academic studies may still have the potential to pursue post-secondary education fruitfully and therefore student quality should not be assessed purely on conventional academic criteria. They have suggested that institutions may consider conducting interviews to select candidates so that students may be admitted based on their non-academic performance. A member also opines that if conventional academic criteria are used as the admission criteria for AD programmes, these programmes may be considered substandard.

27. The Administration has explained that the Government will continue to invest heavily in basic education. In parallel, it will increase post-secondary places to widen the access of qualified students to learning opportunities that are alternatives to secondary six and seven programmes. The proposals are to increase education opportunities at the sub-degree, not the degree level. Furthermore, according to the Hong Kong Certificate of Education Examination results in 2000, over 60% of candidates taking five or more subjects have 10 or more points (including a pass in Chinese language and English language).

28. Some members are concerned as to whether the standing of AD programmes will be widely recognised locally and internationally. They consider that Government being the largest employer in Hong Kong should take the lead in recognising the qualification of AD.

29. The Administration has advised that both the HKCAA and the Federation have recommended that the level of AD should be considered as equivalent to that of the Higher Diploma for employment purpose in both the public and the private sectors. The Education and Manpower Bureau is supportive of the recommendation. As far as civil service is concerned, the Education and Manpower Bureau and the Civil Service Bureau are working on the arrangement for accepting AD qualifications for appointment to civil service grades which have general entry requirements at Higher Diploma level.

### Support measures

30. Members note that the Administration plans to provide two major forms of assistance in support of the progressive increase in post-secondary education -

- (a) ***Assistance to student:*** the Administration proposes to provide means-tested grant to the most needy students and means-tested, low-interest loan payable at 2.5% per annum to other needy students to cover the full amount of tuition fee subject to a proposed ceiling of \$60,000. The Administration also plans to provide non-means-tested loan to all other students.
- (b) ***Assistance to providers:*** The Administration encourages potential providers to maximise the use of their existing land and physical resources to provide the additional student places. The Administration proposes to offer loans to support the start-up cost of non-profit-making post-secondary course provider, and provide land at nominal premium for the construction of new post-secondary colleges. The Administration will also facilitate joint development of post-secondary institutions and other uses to maximise valuable land resources.

31. The Administration has also briefed members on a pilot scheme to support students to study post-secondary programmes overseas. Members note that the initial proposal is to confine the scheme to the disciplines of IT, financial services and creative media; and that students who receive financial assistance under the pilot scheme are required to return to Hong Kong to work for a specified period after graduation.

32. Members agree that no qualified students are denied access to tertiary education because of a lack of financial means. However, some members query why it is necessary to confine the pilot scheme to certain disciplines. The Administration has explained that there are manpower shortages in the designated disciplines and a substantial increase in the number of places in these disciplines will be unattainable in the near future. These members also consider it unfair that students who are not qualified academically to study in local universities will be subsidised to study overseas, but not those with better academic performance. The Administration has pointed out that the Government provides adequate first degree places in Hong Kong for academically qualified students.

33. Members are of the view that while existing self-financing providers of tertiary education are able to provide many courses on a part-time basis, they will not have the capacity to provide full-time post-secondary education which requires a campus environment with library, study, counselling, sports and other supporting facilities. Some members have also expressed doubts about the feasibility to increase the provision on self-financing basis with one-off start-up assistance only because courses in certain disciplines are expensive to run. In this connection, members note that the



Federation has expressed concern that provision of a campus environment for offering full-time post-secondary education is beyond the means of current providers of tertiary education if no government assistance is given.

34. The Administration has advised that after careful consideration of concrete data relating to the estimated number of students, teacher and space requirements etc, the Administration has basically reached a consensus with the Federation that offering interest-free loans should be adequate. A two-staged approach in offering loan assistance for providers is proposed. This will allow some time for providers to test the market, particularly those without a solid academic status. For such institutions, the initial loan will be calculated with reference to the rental cost of the initial period, plus renovation and equipment expenses. A higher loan amount for laboratory-based science and technology disciplines will be allowed as they are likely to involve more capital investment. After the providers have built up a solid track record in running sub-degree programmes, the Administration will consider a more substantial loan for building or buying college premises as a longer-term measure. For the more established or self-accrediting institutions, the Administration will consider providing a more substantial loan in the first instance.

35. Some members are also concerned that the quality of tertiary education currently provided by the UGC-funded institutions will be adversely affected if their existing facilities have to be used for providing new post-secondary courses. They have pointed out that the UGC-funded institutions may be under pressure to provide as many self-financing post-secondary places as possible in the light of the Government's cut in providing funding to university education. The Administration has explained that the UGC will monitor the teaching and learning quality at these UGC-funded institutions and conduct of the Teaching and Learning Quality Process Review will be extended to cover the continuing and professional education divisions of the institutions. The Administration has further pointed out that cross-subsidy in terms of teaching staff and facilities may be needed when the UGC-funded institutions operate new post-secondary courses in the early stage but cross-subsidy should not be required in the long run.

#### Financial implications

36. Members are very concerned about the financial implications in achieving the target of 60%. The Administration has explained that the total amount of student financial assistance will depend on the pace of development acting on market forces, the number of applicants and the financial circumstances of their families. It is initially estimated that the total amount of assistance will increase annually over the next ten years. By the end of the next decade, the annual total amount would have exceeded 1 billion. Based on the total planned intake to full-time self-financing post-secondary places in 2001-02 i.e. 9 270 and assuming that the number of student places will increase progressively on a straight-line basis over the remaining nine years, the Administration has provided a table of rough estimates of student financial assistance in **Appendix V**.

37. As regards the assistance to providers, on the assumption that 80% of the projected student places will be offered by local, non-profit-making providers, the Administration estimates that the total loan amount will be over \$10 billion.

38. The Administration has further informed the Subcommittee that in order to enable students to benefit under Government's proposed financial assistance proposals, the Administration will submit detailed proposals as a first priority to the Finance Committee for consideration within the current legislative session.

39. Members of the Panel are invited to note the deliberations of the Subcommittee.

Council Business Division 2  
Legislative Council Secretariat  
13 June 2001

**LegCo Panel on Education**

**Subcommittee on increase in  
post-secondary education opportunities**

**Membership list**

<b>Chairman</b>	Dr Hon YEUNG Sum
<b>Members</b>	Hon Cyd HO Sau-lan Prof Hon NG Ching-fai Hon CHEUNG Man-kwong Hon YEUNG Yiu-chung Hon Emily LAU Wai-hing, JP Hon SZETO Wah Hon Tommy CHEUNG Yu-yan, JP Hon WONG Sing-chi Hon Audrey EU Yuet-mee, SC, JP  (Total : 10 Members)
<b>Clerk</b>	Miss Flora TAI Yin-ping
<b>Legal Adviser</b>	Mr Arthur CHEUNG Ping-kam
<b>Date</b>	15 May 2001



**The current and planned intakes to  
full-time, self-financing post-secondary places  
(including Associate Degree and Higher Diploma programmes)**

	<b>2000-01</b>	<b>2001-02</b>
Federation for Continuing Education in Tertiary Institutions		
• UGC-funded institutions and Open University of Hong Kong	1 070	3 910
• Caritas Francis Hsu College and Vocational Training Council	140	1 680
<i>Sub-total</i>	<i>1 210</i>	<i>5 590</i>
Post-secondary college (i.e. Hong Kong Shue Yan College)	980	980
Registered schools offering post-secondary courses (courses are subject to successful external accreditation)	1 600	2 400
New providers (courses are subject to successful external accreditation)		300
<b><i>Grand Total</i></b>	<b>3 790</b>	<b>9 270</b>



**SUMMARY OF INITIATIVES TAKEN  
IN PURSUIT OF FOUR PROPOSED DIRECTIONS**

To develop a diversified higher education system, widen students' choice and encourage healthy competition, the Administration is exploring four directions, as set out below:

	<b>Offered in HK</b>	<b>Offered outside HK</b>
<b>Local Course</b>	<p><b>First Direction</b></p> <p>(a) Encourage existing providers to offer more places</p> <p>(b) Upgrade courses to post-secondary level.</p> <p>(c) Explore new local providers (e.g. business partnership)</p> <p>(d) On-line learning and distance learning (e.g. Open University of Hong Kong)</p>	<p><b>Second Direction</b></p> <p>(e) Joint programme offered by local and non-local universities partially in HK and partially outside HK</p> <p>(f) Encourage local institutions to provide programmes outside HK</p>
<b>Non-local Course</b>	<p><b>Third Direction</b></p> <p>(g) Encourage non-local universities to provide more courses in Hong Kong</p> <p>(h) On-line learning and distance learning offered by non-local universities</p>	<p><b>Fourth Direction</b></p> <p>(i) Provide assistance for students to study overseas</p>

2. The Administration is exploring the measures in the above four directions. Some examples are set out below.

***First Direction***

- (a) Member institutions of the Federation for Continuing Education in Tertiary Institutions are actively planning to launch new post-secondary programmes and increase the student intake of existing post-secondary programmes. The planned student intake to programmes offered by the Federation will increase from 1 210 in 2000-01 to 5 590 in 2001-02.
- (b) Caritas Francis Hsu College is applying for registration as a post-secondary college. Subject to approval, it intends to offer more post-secondary places leading to Higher Diploma qualifications. A number of registered schools currently authorised to offer post-secondary places under the Education Ordinance (Cap. 279) are actively upgrading their existing programmes. They also intend to submit the programmes for accreditation by the Hong Kong Council for Academic Accreditation. The planned student intake to their programmes will increase from 1 600 in 2000-01 to 2 400 in 2001-02.

- (c) The Open University of Hong Kong (OUHK) adopts a flexible learning mode which enables students to learn at their own pace, time and place. There is already a mechanism for students to take full-time study through the OUHK. 316 OUHK students aged 25 or below are taking a full-time study load in the current semester. In addition, OUHK has recently launched an IT Development Plan (2000-2002) which enables it to offer all its programmes using the on-line mode. OUHK will continue to strengthen its capacity in response to the changing market demand.
- (d) The Administration has been encouraging various industries and professional bodies with manpower needs to offer courses which target at their requirements. These courses can be run by these bodies or in collaboration with training providers. The Hong Kong Logistics Association plans to organise courses targeting at the logistics industry.

### ***Second Direction***

- (e) The Administration encourages local institutions to collaborate with non-local providers so that students can earn part of their credits (say, up to 50%) outside Hong Kong. This will also widen the students' horizon and immerse them in a different cultural and language environment. The Federation and some other local institutions welcome this development, and are actively pursuing strategic alliances with non-local institutions.
- (f) OUHK has set up a branch office outside Hong Kong, and is offering courses in 15 locations in the Mainland. Hong Kong Polytechnic University, in collaboration with a Mainland university, is establishing an international college in Zhuhai. They plan to start offering sub-degree programmes in 2001-02 targeting at Mainland and Hong Kong students. Other institutions (e.g. HKU) are providing programmes outside Hong Kong. There is scope for further development.

### ***Third Direction***

- (g) The Administration has discussed with various Community Colleges in US and Canada. The Administration has also established contacts with prestigious IT training providers in India, and are facilitating them in finding local partners. A few major Indian IT training institutes (e.g. NIIT) plan to partner with local institutions to offer IT courses in Hong Kong.
- (h) There are at present over 600 non-local courses being offered by over 150 non-local organisations in Hong Kong. Most of these places are offered on a part-time basis. However, given some support measures, there is scope for these programmes to be offered on a full-time basis as well.

### ***Fourth Direction***

- (g) The Administration is considering a pilot scheme whereby the Administration will support students to undergo post-secondary courses outside Hong Kong in certain fields with manpower shortage.



**The projected increase of post-secondary places  
from year 2001 to year 2010**

<i>Year</i>	<i>Projected Additional First-year Intakes</i>
2001	6 570
2002	8 900
2003	11 300
2004	14 400
2005	17 500
2006	20 600
2007	23 100
2008	25 600
2009	28 100
2010	30 600



**A table of the rough estimates of student financial assistance**

	<b>2001</b>	<b>2010</b>	<b>2012</b>
<b>Additional Student Number</b>			
Additional first-year student intake	6 570 <sup>1</sup>	30 600	30 600
Additional student enrolment	8 760 <sup>2</sup>	68 960	82 400
<b>(1) Means-tested grant for most needy students<sup>3</sup></b>			
No. of beneficiaries	760	5 990	6 470
Estimated amount of grant (\$mil)	46	360	388
<b>(2) Means-tested loan for other needy students</b>			
No. of beneficiaries	3 050	23 970	25 900
Estimated amount of loan (\$mil)	93	734	793
<b><i>Total no. of beneficiaries of (1) and (2)</i></b>	<b>3 810</b>	<b>29 970</b>	<b>32 370</b>
<b>(3) Non-means-tested Loan Scheme<sup>4</sup></b>			
No. of beneficiaries	700	5 520	5 960
Estimated amount of loan (\$mil)	52	412	445
<b>(4) Student Travel Subsidy</b>			
No. of beneficiaries	3 810	29 970	32 370
Estimated amount of subsidy (\$mil)	11	86	93

<sup>1</sup> The figure includes 5 590 places offered by the Federation for Continuing Education in Tertiary Institutions and 980 places offered by Hong Kong Shue Yan College.

<sup>2</sup> The figure includes 6 570 first-year students and 2 190 second-year students currently pursuing their first-year programme in 2000-01.

<sup>3</sup> The above estimates are based on the Local Student Finance Scheme application exercise in 2000-01. The Administration assumes that 43.5% of students will receive means-tested financial assistance. Of them, 20.5%, will be eligible to receive means-tested grant. This is equivalent to the ratio of recipients receiving maximum grant under the Local Student Finance Scheme. On average, students will be eligible to 51% of the maximum loan entitlement.

<sup>4</sup> The above estimates are based on the Non-means-tested Loan application exercise in 2000-01. The Administration assumes that 8% of students will apply for Non-means-tested Loan and that they will apply for up to 84.3% of the loan ceiling.