

立法會
Legislative Council

LC Paper No. CB(2)668/00-01
(These minutes have been seen
by the Administration)

Ref : CB2/PL/ED

LegCo Panel on Education

Minutes of meeting
held on Monday, 20 November 2000 at 4:30 pm
in Conference Room A of the Legislative Council Building

- Members Present** : Dr Hon YEUNG Sum (Chairman)
Hon YEUNG Yiu-chung, JP (Deputy Chairman)
Hon David CHU Yu-lin
Hon Eric LI Ka-cheung, JP
Prof Hon NG Ching-fai
Hon CHEUNG Man-kwong
Hon LEUNG Yiu-chung
Hon SIN Chung-kai
Hon Jasper TSANG Yok-sing, JP
Hon LAU Kong-wah
Hon Emily LAU Wai-hing, JP
Hon SZETO Wah
Hon Tommy CHEUNG Yu-yan, JP
Hon Michael MAK Kwok-fung
Dr Hon LO Wing-lok
- Members Absent** : Hon Cyd HO Sau-lan
Hon Andrew WONG Wang-fat, JP
Hon WONG Sing-chi
- Public Officers Attending** : Item III
Mr Joseph LAI
Deputy Secretary for Education and Manpower

Mr Patrick LI
Principal Assistant Secretary for Education and
Manpower (2)

Mr Matthew CHEUNG, JP
Director of Education

Mr H F LEE
Senior Assistant Director of Education (Support)

Ms Susanna S M CHEUNG
Assistant Director of Education (School-based
Management)

Item IV

Mr Joseph LAI
Deputy Secretary for Education and Manpower

Mr Patrick LI
Principal Assistant Secretary for Education and
Manpower (2)

Mr Matthew CHEUNG, JP
Director of Education

Mr H F LEE
Senior Assistant Director of Education (Support)

Mr K S LEE
Assistant Director of Education (Planning & Research)

Item V

Mr Joseph LAI
Deputy Secretary for Education and Manpower

Mr Patrick LI
Principal Assistant Secretary for Education and
Manpower (2)

Mr Matthew CHEUNG, JP
Director of Education

Mr H F LEE
Senior Assistant Director of Education (Support)

Item VI

Mr Joseph LAI
Deputy Secretary for Education and Manpower

Mr John LEUNG
Principal Assistant Secretary for Education and
Manpower (9)

Mr Matthew CHEUNG, JP
Director of Education

Mr H F LEE
Senior Assistant Director of Education (Support)

Ms Susanna S M CHEUNG
Assistant Director of Education (School-based
Management)

Item VII

Ms Michelle LI
Principal Assistant Secretary for Education and
Manpower (1)

**Attendance by
Invitation** : *Item VII*

The Open University of Hong Kong

Professor TAM Shang-wai, JP
President

Professor C M LEUNG
Director (Technology Development)

Clerk in Attendance : Miss Flora TAI
Chief Assistant Secretary (2)2

Staff in Attendance : Mr Stanley MA
Senior Assistant Secretary (2)6

Action

I Confirmation of minutes
[LC Paper No. CB(2)276/00-01]

The minutes of the meeting held on 13 October 2000 were confirmed.

II Items for discussion at the next meeting
[Appendix I to LC Paper No. CB(2)264/00-01]

2. At the suggestion of the Administration, members agreed to discuss the following items at the next meeting scheduled for 18 December 2000 -

- (a) reservation of school sites;
- (b) curriculum reform;
- (c) library grant for kindergartens and child care centres; and
- (d) education resource centre.

[*Post-meeting note* : At the request of the Administration, discussion of item (c) was deferred to a future meeting.]

3. In response to Mr SIN Chung-kai, Director of Education (DE) said that as the Education Department (ED) was inviting tenders for conducting a review on the two-year pilot scheme on the use of information technology in schools, it would be more appropriate to discuss the results of the scheme after the review had been completed.

III. School-based management
[Paper No. CB(2)264/00-01(01)]

Action

4. At the Chairman's invitation, Assistant Director of Education (School-based management) (ADE(SBM)) briefed members on the Administration's paper.

Implementation timetable

5. Mr YEUNG Yiu-chung asked whether it was the Administration's target to implement the proposed school-based management (SBM) governance structure in five-years' time. ADE(SBM) responded that according to the SBM Consultation Document, a transition period of three years would be granted after enactment of the new provisions in 2001-02 school year. The preliminary consensus of the Advisory Committee on School-based Management (ACSBM) was to allow a transitional period of five years for school sponsoring bodies (SSBs) to put in place the proposed governance structure. She added that ACSBM would also take into account the views of the Board of Education (BoE) and the Legislative Council (LegCo) Panel on Education on more controversial proposals such as the school governance structure. DE further explained that the proposal of a five-year transitional period had taken into consideration that some 400 schools had yet to establish a parent-teacher association. These schools should be provided with sufficient time for election of teacher and parent representatives to school management committees (SMCs).

6. Mr CHEUNG Man-kwong opined that schools which had already set up parent-teacher associations should invite the parent and teacher representatives to join SMC as soon as practicable. He saw no reason why there should be further delay in implementing SBM in these schools. Schools which had not established a parent-teacher association should firstly invite teacher representatives to participate in the work of SMC.

School governance structure

7. Mr CHEUNG Man-kwong was of the view that in proposing different governance models such as a two-tier structure of SMC, the real intention of SSBs was to create an upper-level SMC comprising of managers nominated by SSBs and a lower-level SMC with no real governance power for a few parents and teachers to participate. Mr CHEUNG considered that such dual level management structure which excluded parents and teachers from the top level management of schools was not in line with the original spirit of SBM. He enquired whether the Administration would support the two-tier structure or insist on a one-level SMC with appropriate proportions of teacher and parent managers.

Action

8. ADE(SBM) responded that the Administration's view was that schools should adopt a participatory governance structure to enhance the transparency and accountability of SMCs which must include such key stakeholders as SSB, teachers, parents, alumni and independent members. It was also the ACSBM's preliminary consensus. She pointed out that the majority of SSBs had expressed support for incorporating teacher and parent managers in SMCs. They, however, held different views on the number, role and functions of parent and teacher managers in SMC.

9. Mr CHEUNG Man-kwong maintained the view that there should be one SMC in each school which must have teacher and parent managers. He pointed out that when the then LegCo Panel on Education discussed the composition of SMC at its meeting on 21 December 1999, the majority of members had expressed support for such composition and some of them had even suggested that each SMC should comprise at least two parents and two teachers.

10. The Chairman considered that SSBs should feel that their interests were well-protected if they would retain the power to appoint up to 60% of the SMC membership, to decide the mission and vision statements, and to manage the properties and funds of their schools. He was very dissatisfied that some SSBs still put forward the proposal of a two-tier structure of SMCs seeking to exclude parents and teachers from the decision-making mechanism.

11. DE reiterated that it was the Administration's stance that each school should establish a SMC with governance power and representatives of parents and teachers. Regardless of the number of levels of SMCs, parent and teacher managers should be placed at the layer with the genuine governance role.

12. Miss Emily LAU asked why further discussion on the school governance structure and the division of rights and responsibilities among different parties was necessary as it was clear that an SMC as a whole would be responsible for making decisions on major school policies, procedures and practices. Miss LAU further said that she agreed that the mission and vision of SSBs particularly those with religious background should be respected. She asked how the Administration would address the concerns of SSBs over the participation of parents and teachers in the work of SMCs.

13. DE responded that major SSBs particularly those with religious background were very concerned that once parent and teacher managers were included in SMCs, they might not be able to control the vision and mission in education nor their funds and assets. While it was the principle of SBM that the school decision-making mechanism must have the participation of parents and teachers irrespective of the number of levels of SMCs, the Administration hoped

Action

that further discussion might lead to proposals which could address the SSBs' concerns without compromising the principle.

14. DE added that he had personally put in a lot of efforts explaining to SSBs that participation of parents and teachers was to improve the teaching and learning activities in schools. He pointed out that under the vision and mission set by the SSB, an SMC could still shape the teaching and learning culture and activities of a school.

15. Mr CHEUNG Man-kwong stressed that an opinion survey conducted by the Administration had indicated that about 85% of respondents had expressed support for incorporating parent and teacher representatives in SMCs. However, he agreed that parent and teacher managers should not interfere with the visions and missions of SSBs in education e.g. their religious beliefs. Parent and teacher managers also should not participate in the management of the schools' properties and funds. To address SSBs' concerns, he suggested that the Administration should consider making appropriate amendments to the Education Ordinance (Cap. 279) to stipulate that parent and teacher managers should not interfere in matters which were not related to the teaching and learning activities in schools.

Appointment and removal of school principals

16. Miss Emily LAU was of the view that there should be proper checks and balance over the power of a principal. In response to Miss LAU's enquiry about the role of school managers in the appointment and removal of principals, DE pointed out that the preliminary view of ACSBM on the selection of the Principal was for the school to set up an independent selection committee comprising SSB and SMC representatives, save for new schools which had not established a SMC. However, ACSBM had yet to make a decision on the matter. It would further discuss the issue after collecting more views from different sectors.

Multiple SMC membership

17. Miss Emily LAU referred to the suggestion of some SSBs that a school manager should be allowed to serve on a maximum of 10 SMCs, instead of five proposed by ACSBM. She was of the view that a manager working on a part-time basis would not be able to actively participate in the work of even five SMCs.

18. DE explained that some SSBs had put forward the proposal of increasing the number of SMCs a manager could serve from five to ten on the grounds that

Action

a full-time manager or retired educator should be able to participate in 10 SMCs and that some SSBs with religious background might have problems in finding sufficient clergy to serve as school managers. DE said that ACSBM considered that flexibility might be needed and would further discuss the issue after collecting views from different sectors.

19. Miss Emily LAU said that she would not object to implementing the proposal with flexibility on the condition that the school manager concerned must practicably be able to participate fully in school management.

Funding support for schools to establish SMCs

20. Prof NG Ching-fai said that he was in support of parents and teachers participating in SMCs. However, he was concerned that some schools might have difficulty in finding sufficient parents who were willing to participate in the work of SMCs. He enquired about the Administration's measures to facilitate the establishment of SMCs in schools.

21. DE responded that the Administration had set aside \$50 million to support activities relating to parent education and home-school co-operation. A steering committee chaired by DE would be established in early December 2000 to promote parent education and parent participation in educational affairs and this would include the role of parents in the work of SMCs. The regional offices of ED would provide advisory and support services to schools to establish parent-teacher associations, and to parents, alumni and independent community leaders to participate in SMC activities.

Legislative amendments and timetable

22. Mr SIN Chung-kai expressed support for incorporating parent and teacher representatives to enhance the transparency and accountability of SMCs. He suggested that the Education Ordinance should be amended to the effect that schools without a SMC after a certain date would have committed an offence in order to ensure compliance. He further suggested that the Administration should specify a timeframe in legislation for incorporating parent and teacher managers in SMCs.

23. DE responded that it was the ACSBM's preliminary view that the Education Ordinance would need to be amended. However, ED was also considering whether the proposed governance structure and composition could be achieved by administrative means. A decision had yet to be made. He shared members' view that parent and teacher managers would contribute to the work of SMCs and their participation should not create conflicts within a school.

Action

If the final proposal of ACSBM supported membership of parents and teachers in SMCs and the community as a whole supported the proposal, ED would definitely consider proposing relevant amendments to the Ordinance.

24. Mr CHEUNG Man-kwong said that implementation of SBM should be achieved by legislative rather than administrative means in order to ensure full compliance. In response to Mr CHEUNG's enquiry, DE said that the Administration would carefully consider the ACSBM's final recommendations and further consult the stakeholders before proposing any legislative amendments. He anticipated that amendments to the Education Ordinance, if necessary, would be introduced into the LegCo in the current session. He pointed out that since drafting of amendments would take time, the Administration would adopt a flexible and pragmatic approach and advise schools to prepare for the establishment of SMCs from the 2001/02 school year. DE further undertook to convey members' views to ACSBM for consideration. He supplemented that ACSBM would hold a meeting shortly to consolidate its views and recommendations for DE's consideration.

25. In view of SSBs' concerns and the complexity of the issue, the Chairman suggested and members agreed to hold a special meeting at 4:30 pm on 11 December 2000 to meet representatives from SSBs, parent and teacher associations to collect views on the SBM proposals.

IV. Modifications to Direct Subsidy Scheme (DSS)
[Paper No. CB(2)264/00-01(02)]

26. Members noted the Administration's proposals to modify the terms of the DSS as set out in the paper. Principal Assistant Secretary for Education and Manpower (2) (PAS/EM(2)) informed members that an ex-aided DSS school was currently allowed to switch back as an aided school within five years after joining DSS. However, giving a school five years to change its mind would create uncertainty amongst staff and parents. The Administration therefore additionally proposed that an ex-aided DSS school would not be allowed to switch back as an aided school, unless there were changes in the terms of DSS which affected the level of subsidy receivable by the school.

27. Mr CHEUNG Man-kwong said that while one of the purposes of DSS was to give parents more choice in the education system, he was concerned that the proposed income banding system would have the effect of undermining parents' choice. He pointed out that a DSS school under the proposals would still receive full recurrent subsidy from Government for each student it admitted even if it charged fees up to a maximum of \$70,534 per year, i.e. 2 1/3 of the

Action

average unit cost of an aided school place. Mr CHEUNG remarked that the purpose of the Administration's proposals to modify DSS was to attract more reputable aided schools to join DSS. He expressed concern that while children of poor families might be allocated places of these reputable aided schools through the central allocation mechanism, they would be deprived of the opportunities to study in these schools if reputable aided schools had joined DSS and were allowed to charge high level of fees. Mr CHEUNG considered that the proposed new banding income system would jeopardise fair competition for quality education. The Chairman and Mr SZETO Wah expressed a similar view.

28. PAS/EM(2) responded that the recurrent subsidy for DSS schools under the existing system would be progressively reduced by fifty cents for every additional dollar of school fees charged beyond one-third of the average unit cost of an aided school place. Under the proposed new banding income system, a DSS school would continue to receive full recurrent subsidy from Government until its fee level reached $2 \frac{1}{3}$ of the average unit cost of an aided school place. However, if a school charged a fee between the range of $\frac{2}{3}$ and $2 \frac{1}{3}$ of the average unit cost, then for every additional dollar charged over and above $\frac{2}{3}$ of the average unit cost, the school should set aside fifty cents for scholarship and financial assistance schemes. In other words, the amount of funds which were required to be set aside for scholarship/financial assistance scheme could be as high as \$25,190. Deputy Secretary for Education and Manpower (3) (DS(EM)(3)) added that when the Administration vetted the application of a school to join DSS, the scholarship and financial assistance schemes put forward by the school would be one of the important factors of consideration.

29. The Chairman and Mr CHEUNG Man-kwong pointed out that although DSS schools were required to offer scholarship for needy and deserving students, parents would not know for sure that their children would be awarded with an adequate level of financial assistance. Hence, DSS schools should not be allowed to set high level of fees because it would discourage needy students from making application to study in these schools. Mr CHEUNG cautioned that \$70,000 was already a year's income for some families. Since DSS schools enjoyed autonomy in enrolment of students as well as provision of scholarship or financial assistance to students, the Chairman and Mr CHEUNG urged the Administration to critically evaluate the possible effect of the proposed new income banding system on equal opportunities in education.

30. DS/EM(3) responded that DSS schools under the existing income banding system could charge fees higher than one-third of the average unit cost of an aided school place, but so far no schools had set such level of fees. This reflected that DSS schools had considered the financial burden of parents in setting fee levels. He added that the majority of DSS schools aimed to achieve

Action

their missions and visions by providing quality education at reasonable level of fees.

31. Mr CHEUNG Man-kwong pointed out that existing DSS schools could not charge a level of fees exceeding one-third of the average unit cost because they might not be capable to attract sufficient students. However, ex-aided DSS schools with a longer history of establishment, which appeared to be the target schools for the proposed new DSS, would be able to attract sufficient enrolment even though their annual fees were as high as \$70,534.

32. DS/EM(3) said that the Administration had discussed with SSBs operating schools with a long history of establishment and did not see the possibility that these schools, if switched to operate under DSS, would set high level of fees. He stressed that the Administration's intention was to attract new and existing SSBs to operate DSS schools and provide them with more autonomy and room to improve quality of education.

33. In response to members' concerns that DSS schools might set fees at an unreasonable level, DS/EM(3) assured members that since all revision of fees would have to be approved by the DE, the Administration would ensure that fees set by DSS schools would be at a reasonable level.

34. Mr LEUNG Yiu-chung enquired about the ED's mechanism for monitoring the revision of school fees. He pointed out that according to the recent report issued by the Director of Audit, collection of miscellaneous fees by kindergartens had not been properly monitored by ED. He was concerned that similar situation would happen in DSS schools. Mr CHUENG Man-kwong shared Mr LEUNG's view.

35. Senior Assistant Director of Education (Support) (SAD(S)) responded that as stipulated in the Education Ordinance, DE was empowered to approve the level of fees proposed by schools. In doing so, DE would examine whether the proposed levels of fees were justified by the relevant cost estimates and financial statements provided by schools. The surplus of a non-profit making school could not exceed five percent of its expenditure. As regards other services or goods provided by kindergartens, parents could decide whether to procure the services or goods through the schools or not. He added that fees charged by primary and secondary schools usually covered all the necessary expenses of a student inclusively. The schools rarely needed to charge miscellaneous fees for provision of additional services or goods.

36. In response to the Chairman's enquiry about the monitoring role of the Administration over the performance of DSS schools, DS/EM(3) said that DSS

Action

schools were required to submit annual plans setting out the school's vision and mission, performance targets and indicators for self-evaluation, etc. Starting from the 2000-01 school year, new DSS schools were required to enter into service agreements which would incorporate a set of performance targets for the schools to achieve. Renewal of such agreements on expiry would be subject to evaluation by ED with reference to the performance targets. ED would monitor the performance of these schools against the indicators stated in the service agreement and played the role of a partner to SSBs to improve quality of school education.

37. Mr YEUNG Yiu-chung said that he was a principal of a DSS school. He enquired about the need for using the evaluation service of internationally recognized bodies which were accepted by ED for renewal of service agreement under DSS. Mr YEUNG further asked whether ED had compiled a list of these bodies.

38. Assistant Director of Education (Planning and Research) responded that ED did not have a list of internationally recognized bodies providing evaluation services for schools. He explained that ED would evaluate the performance of DSS schools with reference to the targets stated in the 10-year service agreements. However, since DSS schools could set their own curriculum which might include language subjects such as German, the performance evaluation for such subjects would require specialist services provided by some overseas bodies. The experts must be recognized by ED for the purpose.

39. Mr CHEUNG Man-kwong said that a DSS school had recently tested parents' English proficiency as part of the admission process. In response to Mr. CHEUNG's enquiry about the ED's monitoring role in respect of such a practice, SAD(S) clarified that the school in question was formerly a school for children of local Portuguese families and English was used as the medium of instruction. To better understand students' family background, the school since its inauguration had included in its admission process an interview with parents to assess their abilities to help their children to learn through English. He stressed that ED did not encourage such a practice. Mr CHEUNG pointed out that such interview in practice would mean an English test for parents. Mr SZETO Wah added that the DSS school concerned had now admitted students of local families instead of Portuguese families. He failed to see the justification for that school to test parents' English proficiency.

40. Mr Tommy CHEUNG expressed support in principle for the development of a vibrant DSS school sector so as to inject diversity and choices in the education system. He, however, expressed reservation about the effectiveness of the proposals to attract reputable aided schools to join DSS. Mr.

Action

CHEUNG pointed out that the Liberal Party had discussed with SSBs and found that they were concerned about the long-term finance, the arrangements for ex-aided teachers under the Mortgage Interest Subsidy Scheme and the two provident fund schemes for serving teachers in aided schools. He suggested that the Administration should devise a comprehensive incentive scheme to attract more reputable aided schools to join DSS.

41. In response, PAS/EM(2) said that the Administration had consulted some SSBs and the Board of Education on the proposals to attract new and existing aided schools to join DSS, and some aided schools had indicated that the proposals could serve to address their concerns. To facilitate teachers of ex-aided schools to remain in the statutory provident fund schemes, relevant amendments to the Grant Schools Provident Fund (GSPF) Rules and the Subsidized Schools Provident Fund (SSPF) Rules proposed by the Administration had been passed in the last LegCo session. In essence, a grant school teacher could choose to stay in GSPF without any time limit after his school had joined DSS and a subsidized school teacher could remain in SSPF for a maximum period of five years after his school had joined DSS.

42. Miss Emily LAU asked whether the Administration aimed to transfer the cost of education to parents by way of allowing DSS schools to set high level of fees. PAS/EM(2) responded that the Administration was committed to providing quality education to students, and that the unit costs for an aided school place and a DSS school place were the same. He stressed that the Administration would actually increase the subsidy to DSS schools through the proposed income banding system so that these schools would be able to accumulate funds to improve the quality of education and to provide scholarship and financial assistance to needy and deserving students.

43. DS/EM(3) said that the Administration's policy was to foster the development of a strong DSS sector so as to provide parents with more diversities and choices in education of their children, as well as to create competition for providing quality education among aided and DSS schools. Furthermore, DSS schools would be given more autonomy in pursuit of their missions and visions. Miss LAU was of the view that implementation of a voucher system was a better alternative to increase the choice of parents and their students in education. DS/EM(3) responded that DSS which provided schools with the average unit cost of an aided school place for every enrolled student was in a way a voucher system. The Chairman remarked that adoption of a voucher system would give parents and students more freedom and flexibility in education.

Action

44. The Chairman and Mr LEUNG Yiu-chung asked whether the Administration had estimated the number of aided schools which would be attracted by the proposals to join DSS. Mr LEUNG also queried the need to foster the development of a strong DSS school sector to compete with the aided school sector.

45. DS/EM(3) responded that the Administration could not possibly forecast the number of aided schools which would join DSS. He reiterated that the proposals would provide financial and operational incentives for aided schools to consider joining DSS. DS/EM(3) pointed out that competition among schools was natural as parents would send their children to schools providing better quality of education. SAD(S) supplemented that a more vibrant DSS school sector would provide parents and students with more diversities and choices in school education, which would in turn encourage aided schools to improve their quality of education.

46. In light of members' concern that the proposed income banding system for DSS would deprive poor students of quality education, DE stressed that \$70,534 was only the upper limit allowed and it did not necessarily mean all DSS schools would charge that amount. Some members still expressed strong reservation on the proposed income banding system which allowed a DSS school to charge an annual fee of \$70,534. The Chairman pointed out that it was most unreasonable that a school charging such a high level of fee would still receive the full DSS subsidy of \$30,229. In light of members' concerns, the Chairman asked the Administration to reconsider the proposals on income banding system before submission to the Finance Committee.

V. Education (Amendment) Bill
[Paper No. CB(2)264/00-01(03)]

47. Members noted the Administration's proposals to update the Education Ordinance and the Education Regulations.

48. Mr CHEUNG Man-kwong held the view that the proposed maximum penalty of \$25,000 was insufficient to deter schools from placing advertisements containing false or misleading information relating to schools, particularly those tutorial schools which charged high course fees offered on a module basis. Miss Emily LAU expressed a similar view.

49. PAS/EM(2) responded that there was the question of relativity of the fines vis-à-vis fines for other offences. The Administration had made reference to offences in other legislation in proposing the maximum penalty of \$25,000.

Action

For example, the maximum penalties for providing false information on food labels under the Public Health and Municipal Services Ordinance (Cap. 132) and for providing false information for the register of authorized institutions to be maintained by the Monetary Authority under the Banking Ordinance (Cap. 155) were \$50,000 and \$100,000 respectively. DS/EM(3) supplemented that section 86B of the Education Ordinance had been amended in May 2000 to the effect that the maximum penalty for schools making false advertisements in relation to their premises was increased to \$25,000. To better protect students and parents, the Administration proposed to make it an offence for schools to publish any advertisements containing false or misleading information relating to schools, for example, the content of their courses and their teachers' qualifications. The maximum penalty was also proposed to be pitched at the level of \$25,000. However, the Administration would reconsider the penalty level for offence having regard to those for comparable offences.

50. Miss Emily LAU enquired about the responsible party for publishing any advertisements containing false or misleading information relating to schools. SAD(S) responded that the supervisor or SMC of the schools should be held responsible for publishing these false and misleading information.

51. In response to Miss Emily LAU about the enrolment limit, SAD(S) said that DE would determine on the recommendation of school health inspectors the maximum number of pupils permitted in every classroom on the basis of the floor space. School health inspectors would conduct site visits to ensure conformity with the requirements prescribed in the Fire Services Ordinance (Cap. 95) and the Buildings Ordinance (Cap. 123) in order to protect students' safety.

VI. Composite Furniture and Equipment Grant
[Paper No. CB(2)264/00-01(04)]

52. Members noted the Administration's paper on a new and unified funding arrangement for aided schools with effect from the 2001/02 school year.

53. Mr CHEUNG Man-kwong queried why there was a substantial difference in the rates of the recurrent Composite Furniture and Equipment Grant (CFEG) between primary schools and secondary schools, i.e., \$6,830 and \$14,140 per class per annum and in the one-off Transition Furniture and Equipment Grant between primary schools and secondary schools, i.e. \$75,250 per primary school and \$192,390 per secondary school respectively.

Action

54. ADE(SBM) responded that ED had reviewed the existing Furniture and Equipment (F&E) Grant for schools and concluded that the recurrent F&E provision for primary schools was not adequate. As a result, increases in the rates in CFEG for both whole-day and bi-sessional primary schools were proposed. The proposed CFEG rates were calculated separately for primary schools, secondary schools and different types of special schools. The calculations were based on the F&E provisions in the School and Class Grant and the Special Recurrent F&E Grant under the Recurrent Account and the average approved subsidy per year for schools for F&E purposes under the Capital Account for the past five years. She added that the ED had consulted the Board of Education and various school councils on the proposals.

55. Mr CHEUNG Man-kwong pointed out that new primary schools had physical space and facilities comparable to those of existing secondary schools. He asked how the ratio of 1:2.07 for allocation of CFEG for primary schools and secondary schools was calculated.

56. ADE(SBM) explained that secondary schools were given more allocation of CFEG than primary schools because they had a much wider scope of curriculum and more special rooms which needed a larger variety of facilities. SAD(S) supplemented that the ratio of 1:2.07 was based on the estimated \$45 million and \$93 million in F&E costs for new primary and secondary schools with 30 classrooms respectively. He pointed out that the proposed allocation had already represented a substantial increase for primary schools and future allocation could be further reviewed on the basis of operational experience.

57. Mr LEUNG Yiu-chung noted with concern that the annual rate of CFEG per class would range between \$5,240 and \$18,150 for different types of special schools. Mr LEUNG said that F&E in some special schools were in very poor condition and needed replacement. He was of the view that an amount of \$5,240 was grossly inadequate. ADE(SBM) responded that the most important purpose of introducing a unified funding arrangement was to provide schools with funding certainty and greater flexibility and to improve efficiency.

58. The Chairman said that while members had no objection to the introduction of a new and unified funding arrangement, they would wish the Administration to further consider the proposed rates in light of members' views.

VII. One-off grant to the Open University of Hong Kong for the Information Technology Development Plan
[Paper No. CB(2)293/00-01(01)]

Action

59. At the Chairman's invitation Principal Assistant Secretary for Education and Manpower (1) (PAS/EM(1)) briefed members on the Administration's paper. She stressed that the one-off dollar-for-dollar matching grant of up to \$50 million was proposed in support of the Information Technology (IT) Development Plan (2000-02) of the Open University of Hong Kong (OUHK). Prof NG Ching-fai expressed support of the proposal.

60. In response to Miss Emily LAU's enquiry about the long-term plan of OUHK to provide continuing education and retraining through Internet, Director (Technology Development) of OUHK informed members that the IT Development Plan would create a more flexible, interactive and student-centred learning environment which would be IT-enhanced, web-enabled and multimedia enriched. It would provide students with more flexibility in learning at their own time and pace, as well as facilitate effective on-line interaction between teachers and students. Since it was unlikely that all students had a computer at home, OUHK would implement on-line learning and teaching programmes on a gradual basis.

61. In response to Mr CHU Yu-lin about the recurrent costs for implementing the IT Development Plan, President of the OUHK said that the IT Development Plan would serve as a blueprint for the systematic and co-ordinated development of IT at OUHK for three years starting from mid-2000. The estimated project cost of \$100 million had already covered the associated recurrent and implementation costs for the three-year period.

VIII. Any other business

Date for the regular meeting in April 2001

62. Members agreed that the regular meeting in April 2001 would be held on Monday, 23 April 2001 instead of 16 April.

63. There being no other business, the meeting ended at 6:40 pm.

Legislative Council Secretariat

11 January 2001