

**Information Note for the Legislative Council**

**2001 Policy Address**  
**Education and Manpower**

In delivering his Policy Address on Wednesday, the Chief Executive reiterated the importance of education and manpower training to the social and economic developments of Hong Kong, and that long-term financial commitment would be made to raise the level and improve the quality of education in Hong Kong.

On the key tasks of education, the Chief Executive summarized them in three major areas: enhancing both the quality and quantity of basic education; providing more tertiary places and reforming the academic structures of senior secondary schools and universities; and promoting life-long learning in society. This note sets out the future development of education and manpower training, and also our priorities in the coming year.

**Trend of Manpower Requirement**

Following global economic integration, competition for talents is becoming worldwide. Economic development and the availability of talent are interactively and dynamically related. The more robust and the more replete with development potential a place is, the more it is able to attract talents. The more abundant the supply of quality talents is, the more attractive a place will be to investors. The advent of knowledge-based economy and technological development have triggered fundamental changes to the way we work and an inevitable decline in the demand for low-skilled labour. In order to maintain our competitive edge in the IT age, Hong Kong needs a large workforce that are innovative, adaptable and with high education attainment and ability for self-learning. This is what we aim at achieving through education and manpower training.

## **Upgrading the Quality of Basic Education**

In order to enhance the quality of our human resources, education is the first and foremost task. The Government of the Hong Kong Special Administrative Region has all along attached great importance to education and has invested heavily in it. A multi-pronged approach has been adopted to upgrade the quality of education. Details of the initiatives and achievements over the past four years are set out in the leaflet on “Quality Education”.

In the coming year, our key tasks will be to strengthen the support for primary and secondary school teachers and students, to enhance language proficiency, to promote teachers’ professional development, to improve early childhood education, to develop a diversified educational system as well as to expand post-secondary education opportunities (details in the leaflet on “Quality Education”).

On early childhood and basic education, the following 10 initiatives to support schools, teachers and students will be introduced:

- (1) To introduce progressively the Native English-speaking Teacher (NET) and the English Language Teaching Assistant (ELTA) schemes to the primary schools. Our ultimate objective is that each primary school will have one NET or ELTA. In the 2002/03 school year, we have set aside \$200 million for recruiting over 400 NETs or ELTAs.
- (2) The Advisory Committee on Teacher Education and Qualifications (ACTEQ) will carry out a study on how to enhance the pre-service training, induction guidance and on-the-job continuous education for teachers, as well as to draw up a plan to commend and reward outstanding teachers. It is expected that ACTEQ will submit its recommendations to the Government in the middle of next year. We hope to implement the Government’s decision on ACTEQ’s recommendations from the 2002/03 school year in a phased manner.
- (3) To increase the Capacity Enhancement Grant (CEG) for secondary schools by 50%, thus enabling schools to engage staff or procure services most appropriate to their own circumstances. The maximum amount of CEG will increase from about \$300,000 to almost \$450,000. Additional annual expenditure will be over \$70 million.

- (4) To provide grants for schools to engage IT support and co-ordination services for two years. We will assess the long-term need for IT co-ordination in the context of the review of the Five-year Strategy on IT in Education to be conducted in 2003. The additional expenditure for the next two years will be over \$300 million.
- (5) To create an additional graduate post for each primary school to provide leadership in curriculum development. The new posts will be created by stages over the next three years in accordance with the development of individual schools. The effectiveness and relevance of the post will be reviewed in five years' time, as part of a mid-term review of the curriculum reform. The total annual expenditure will be \$400 million.
- (6) Provide additional funds for enhancing student guidance and counselling services in primary schools. Schools may procure student guidance service, educational psychology service or social work service, in accordance with their individual needs. The additional expenditure is \$120 million a year.
- (7) To implement the "Understanding the Adolescent Project" in all secondary schools in stages, with full implementation expected by 2003/04 at an estimated expenditure of \$47 million. The scheme will also be extended to primary schools. 400 primary schools will join the scheme by 2005/06 at an estimated annual expenditure of \$50 million.
- (8) To improve the kindergarten subsidy scheme to encourage kindergartens to employ more qualified teachers. The maximum subsidy rate will be increased by 50%. The annual additional expenditure will be over \$20 million.
- (9) To improve the kindergarten fee remission scheme and various financial assistance schemes for primary and secondary students, with particular attention to the needs of single-parent families. More than 100 000 students studying in kindergartens, primary schools and secondary schools will benefit. Besides, the Student Financial Assistance Agency will centrally process all applications for financial assistance. This will relieve teachers of this administrative chore. The annual additional expenditure will be over \$300 million.

- (10) To provide school-based professional support for 200 primary schools and 150 secondary schools each year to help enhance the effectiveness of teaching and learning, develop school-based curriculum, improve organisational management and strengthen student support.

Where additional funds are required for the above initiatives, the approval of the Legislative Council will be sought. We hope Members will give their support.

### **Developing Diverse Talents**

Hong Kong is a cosmopolitan city rich in diversity. Sustaining this vitality necessitates a quality education system capable of nurturing diverse talents. The objective of the education reform is to create more space and choice for students to realise to the full their unique potentials in accordance with their aptitude and interests.

We shall continue to enhance diversity and flexibility in the school system through the development of private independent schools (PIS) and direct subsidy scheme schools (DSS). Due to their autonomy in manpower establishment and curriculum design, such schools are well placed to tailor teaching and learning to students' needs. By enriching the school system, we are also providing greater choice to parents and teachers. In addition, we also encourage the setting up of senior secondary schools and colleges with unique characteristics. One such example is a proposed school of arts, media and design. Our objective is to facilitate the nurturing of students who are both specialised and have a diversified knowledge base.

The road to education reform is not smooth. Nevertheless, the results have been encouraging, thus affirming that our direction is correct. We must have confidence and patience, and be pragmatic and steadfast in taking the reform forward. We firmly believe that the reform will succeed as intended if we all work together and adopt a student-focussed approach.

### **Education Attainment of Hong Kong People**

According to the data of the Census and Statistics Department, of those aged 15 and above, only 18% have post-secondary qualifications or

above whereas 48% have only Secondary 3 or below education. We therefore compare unfavourably with the general education attainment of our counterparts in U.S.A., Canada, Australia, Singapore and Japan. This does not bode well for our development as a knowledge-based society. We must catch up.

### **Enhancing Access to Post-Secondary Education**

In last year's Policy Address, the Chief Executive announced the Government's policy target of enhancing the age participation rate in post-secondary education to 60% within 10 years. Our assessment is that 30 000 additional places will be required. It is encouraging to note that in the 2001/02 school year, various post-secondary colleges and tertiary institutes have provided 6 500 places. We are hopeful that we can attain the 60% target ahead of time.

There is a strong demand for more university places. A progressive approach to increasing university enrolment is necessary. We must first lay a good foundation before consideration can be given to increasing university places. The provision of quality sub-degree education, including higher diploma and associate degree programmes, is our current priority. In fact, most sub-degree programmes have articulation arrangements with local or overseas universities. Therefore, outstanding graduates of sub-degree programmes may continue with their full time academic pursuit or may opt for continuing education by enrolling in, for example, the Open University of Hong Kong. Over 25 000 people are now pursuing studies at the Open University; and this testifies to the growing culture for life-long education.

The Government is considering a possible increase in the size of student enrolment at the tertiary level in the next triennium (i.e. 2004/05 – 2007/08). The objective is to enhance access to university education by those students with proven ability and who wish to study in local universities.

Expansion of the tertiary sector must be subject to several considerations. First, we need to ensure the prudent and proper use of public resources. The quality of university education and graduates must be assured. Every university should have a clear sense of mission and focus on developing its niche in order to forestall unnecessary duplication. The University Grants Committee (UGC) is now conducting a comprehensive review of the future of higher education in

Hong Kong. Covered in the review are areas such as the governance structure, the mission and niche areas of respective institutes, funding mechanism and quality assurance. The UGC will submit its report to the Government by mid-2002.

The Education Commission is also studying the feasibility of changing the academic structure of senior secondary and university education. There is general community support for a three-year senior secondary and a four-year normative undergraduate structure. Nevertheless, implementing such a vision involves complex issues and significant resources relating to, e.g., the construction of more secondary schools, enlarging the teaching force, curriculum changes at the senior secondary and university levels and facility enhancement of tertiary institutes. Progressive implementation of all these takes time. If a community consensus on changing the academic structure of senior secondary and university education can be reached early and if the entire community contributes to solving the problems of finding adequate land and financial resources, we are confident that we can, as the Chief Executive has indicated, implement the change in academic structure in 10 years.

The Education Commission will submit its report on the feasibility of the change in academic structure, including the requisite support measures and implementation programme, in 2002. We intend to set out next year a blueprint for the development of higher education taking into account the recommendations of both the UGC and the Education Commission.

### **Encouraging Continuing Education**

In order to promote life-long learning in the community, the Chief Executive announced that \$5 billion have been earmarked to subsidize adults wishing to pursue continuing education. We welcome suggestions from members of the public on how the provision can be most gainfully used to help those with the greatest need. Issues we have to deal with include the target recipients, the mode and ceiling of subsidy, quality assurance, monitoring framework and the interface with existing training programmes. The Education and Manpower Bureau will consult relevant bodies and the public on those issues. We aim to launch the new scheme in the coming financial year.

## **Improving the Competitiveness of People with Low Education Attainment**

For the 48% of the population with education attainment at S 3 level or below, we must provide various channels of continuous learning so as to enhance their competitiveness in employment. For those younger people who wish to return to school, we will arrange as far as possible for them to do so. From 2003/04 onwards, new senior secondary colleges will come into operation, offering diversified curricula and providing students with more choices to cater for different abilities and interests.

In addition to adult education and continuous learning programmes, adults may also enrol in the Project Springboard and attain higher academic qualifications through the continuing education path.

We are conducting an overall review on the organisation set-up of our vocational education and training as well as the provision of training services. Our goal is to strengthen cooperation among the government, employers, employees and training providers with a view to conducting regular overall assessment of manpower needs, mapping out training requirements and drawing up priorities in a systematic and efficient manner. We aim to formulate a structured qualification framework, and establishing a mechanism of qualification accreditation and quality assurance. We also encourage members of the public and private enterprises to play a role in training. The Education and Manpower Bureau will consult the stakeholders, including the Vocational Training Council, Employee Retraining Board, major employer groups, social service agencies and representatives of workers' unions, on the specific arrangements shortly.

## **Strengthening Vocational Training**

Following China's accession to the WTO, Hong Kong's future economic development must move towards high value-added activities. We must collaborate with the Pearl River Delta Region with a view to complementing our comparative advantages and create a "win-win" situation. Employment and training strategies must not only meet the needs of economic development but also meet the needs of low-skilled workers of whom there is an over-supply. In formulating our policies, we will mainly focus on three areas of need.

First, there is a need to develop new areas or industries with potentials for growth such as logistics management, tourism and entertainment industries, personal services (e.g. care workers, masseurs), financial services, information technology and telecommunications services etc. These industries have the capacity to create job opportunities but timely manpower training must be provided to tie in with the development of these industries. Subject to the requirements of individual industries, training may cover many levels, from skills training to university education.

Secondly, there is a need to ensure that in-service workers keep abreast of time and would not be made redundant. To this end, appropriate and timely training must be provided to equip in-service workers with new knowledge and skills to meet changing job requirements. The Skills Upgrading Scheme announced by the Chief Executive in last year's Policy Address is intended to serve this purpose.

Thirdly, there is a need to provide re-training for the unemployed to help them re-enter the workforce. It is important for those unemployed to have a clear picture of the labour market situation so that they can assess their personal abilities and potentials and set reasonable job expectations.

In a fast-changing social environment, vocational training must not be limited to the provision of knowledge and skills training. More importantly, we must cultivate a positive attitude of continuous self-improvement and strengthen generic skills (including language, information technology, communication and introspection skills) to equip trainees with the ability.

## **Promoting Employment**

In the face of rising unemployment rate, the Government adopts a multi-faceted approach to promote employment :

- (1) create short-term employment opportunities through increase in public expenditure and accelerating infrastructural projects;
- (2) create employment opportunities for workers with low levels of education and skills. We will step up measures to promote a three-shift system for security guards, provide one-stop job matching services for domestic helpers, encourage homes for the aged to

employ local care workers and help the self-employed to start business. Despite the prevailing economic situation, the Labour Department (LD) still receives a number of applications every month for the importation of labour. If people of Hong Kong are reluctant to take up somewhat obnoxious jobs, these vacancies will in the end be lost to imported workers.

- (3) Provide focussed and appropriate employment services to cater for the needs of job-seekers of different educational attainment and background. The LD will expand the Job Matching Programme to provide one-stop counselling and job referral services for middle ranking job seekers. It will also enhance the computerised job placement services with the setting up of self-help digital job centres; continue with the “Re-employment Pilot Programme for the Middle-aged” and extend flexibly the duration of workplace attachment training under the Youth Pre-employment Training Programme.

## **Conclusion**

As with the rest of the world, Hong Kong is facing serious economic challenge. Whether we can recover ahead of the others hinges on the efforts of our citizens. Hong Kong has in the past overcome numerous problems and difficulties. However, the economic restructuring that we are now facing is more protracted and arduous and the concerted efforts of the community will be required if we are to withstand this challenge.

Short-term relief measures are no solutions for long term problems. Instead, what is required is a realisation by every citizen that the world has changed. We all must embrace lifelong learning. We all must set aside our differences and strive for the interest of the entire community. We all have to be consumer-oriented and focus on enhancing our value-addedness. Only then can Hong Kong maintain its competitiveness and continue to be the “Pearl of the Orient”.