

**Hong Kong Baptist University Staff Association
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A View on 10% Efficiency Saving and the Matching Grant Scheme

1. The \$1 billion Matching Grant Scheme, leading to \$2 billion one-off additional resources, compared with the \$1.1 billion year-on-year efficiency saving is misleading. The efficiency saving is a cut on the Recurrent Operating Budget for 2004/05 which will not be restored in subsequent years. This will lead to immediate budget/staff reduction in 2004/05 and the level maintained thereafter. On the other hand, donations generally are provided for development. Donors normally do not give to support recurrent operating funds of tertiary institutions. Furthermore, the additional resources (from the Scheme) are one-off.
2. The additional resources are not provided for operation but for development. In essence it is cutting \$1 billion from the Recurrent Operating Budget 2004/05 to finance the Matching Grant Scheme and a high percentage of this \$1 billion comes from staff budget. It is a significant reallocation of funds from the direct education and services to our students to the enticement of fund raising.
3. Can we do away with the Matching Grant Scheme and restore the cut to the proposed budget?
4. Why is it 10% efficiency savings? How is 10% arrived at? Is it because it was the Matching Grant Scheme needing a \$1 billion and an additional \$100 million for restructuring that we need to cut 10%? How does this 10% compared with efficiency savings in other sectors in Hong Kong?
5. In conclusion, it is hoped that our government and our policy makers would have our students in mind in their decision-making. Many of us serving in the tertiary institutions do not want to see the playing of the number game. We would very much like to concentrate and devote ourselves in teaching and servicing our students.