

立法會
Legislative Council

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seen by the Administration)

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Panel on Education

**Minutes of special meeting
held on Thursday, 19 October 2006, at 11:35 am
in the Chamber of the Legislative Council Building**

- Members present** : Hon Jasper TSANG Yok-sing, GBS, JP (Chairman)
Hon LEE Cheuk-yan
Hon Mrs Selina CHOW LIANG Shuk-yee, GBS, JP
Hon CHEUNG Man-kwong
Hon SIN Chung-kai, JP
Hon Emily LAU Wai-hing, JP
Hon Tommy CHEUNG Yu-yan, JP
Hon Audrey EU Yuet-mee, SC, JP
Hon Andrew LEUNG Kwan-yuen, SBS, JP
Dr Hon Fernando CHEUNG Chiu-hung
- Members attending** : Hon Albert CHAN Wai-yip
Hon Frederick FUNG Kin-kee, SBS, JP
Hon LEUNG Kwok-hung
- Members absent** : Dr Hon YEUNG Sum (Deputy Chairman)
Hon LEUNG Yiu-chung
Hon TAM Yiu-chung, GBS, JP
Hon Abraham SHEK Lai-him, JP
Hon MA Lik, GBS, JP
Hon Patrick LAU Sau-shing, SBS, JP
- Public Officers attending** : Prof Arthur LI, GBS, JP
Secretary for Education and Manpower

Mrs Fanny LAW, GBS, JP
Permanent Secretary for Education and Manpower

Miss Vivian LAU
Deputy Secretary for Education and Manpower (6)

Mr Andrew POON
Principal Assistant Secretary (Quality Assurance),
Education and Manpower Bureau

Mr Tony TANG
Principal Assistant Secretary (Quality Assurance)
(Designated), Education and Manpower Bureau

Clerk in attendance : Miss Odelia LEUNG
Chief Council Secretary (2)6

Staff in attendance : Mrs Vivian KAM
Assistant Secretary General 2

Mr Stanley MA
Senior Council Secretary (2)6

Ms Katherine YEUNG
Legislative Assistant (2)6

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I. Briefing by the Secretary for Education and Manpower on the Chief Executive's Policy Address 2006 - 2007

[LC Paper No. CB(2)28/06-07(01), The 2006-2007 Policy Address booklet entitled "Proactive Pragmatic Always People First" (paragraphs 43 - 48 in pages 15 - 17) and The 2006-2007 Policy Agenda booklet (pages 44 - 48)]

The Secretary for Education and Manpower (SEM) briefed members on the new and on-going education initiatives in the 2006-2007 Policy Agenda as detailed in the Administration's paper.

[*Post-meeting note* : The speaking note of SEM was subsequently circulated to members vide LC Paper No. CB(2)144/06-07 on 20 October 2006.]

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Subsidising early childhood education

The proposed voucher system

2. Mr LEE Cheuk-yan did not support the adoption of a voucher system to subsidise early childhood education. He considered that a genuine voucher system should allow parents to choose any registered kindergartens or kindergarten-cum-child care centres (referred to collectively as kindergartens) for their children, regardless of whether the kindergartens were operated on a profit-making (PM) or non-profit-making (NPM) basis. Mr LEE suggested that the Government should provide subsidy to early childhood education in the same way as primary and secondary education, and let kindergartens decide whether to receive the subsidy and comply with the relevant requirements set by the Education and Manpower Bureau (EMB).

3. SEM responded that under the existing regulatory regime, kindergartens enjoyed a high degree of autonomy in terms of curriculum design and teaching pedagogies. Kindergartens had been able to provide quality and diversified early childhood education to meet the different needs of parents and children. The Administration considered it more appropriate to maintain the current regulatory framework for kindergartens in the provision of early childhood education.

4. Mr LEE Cheuk-yan considered that the Administration should reinforce supervision on the curriculum design and teaching pedagogies in kindergartens to minimise rote learning in early childhood education. He suggested that instead of introducing a voucher system, the Administration should consider adopting a direct subsidy scheme for early childhood education so that kindergartens would be subject to the relevant quality assurance mechanisms in the delivery of early childhood education. Mr Frederick FUNG also asked whether the Administration would consider providing free pre-primary education after the transition years in 2011-2012.

5. SEM responded that the Administration appreciated the missions and vision of the sponsoring bodies in early childhood education as well as the commitment and dedication of pre-primary teachers and principals to enhance teaching and learning in kindergartens. The Administration considered that the existing regulatory framework had already provided the sector with appropriate flexibility and autonomy in the delivery of early childhood education, and had no plan to replace it with a direct subsidy scheme. He added that the proposal to introduce a voucher scheme was primarily to increase investment in pre-primary education without imposing on them the elaborate regulatory controls embodied in the traditional subvention model, so as to preserve the existing flexibility and adaptability of kindergartens. The Administration would review the implementation of the voucher scheme in the light of the experience gained in 2011-2012.

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6. Mr LEE Cheuk-yan said that with the implementation of the proposed voucher system in the 2007-2008 school year, some kindergartens might strengthen activities to promote enrolment and hence increase tuition fees unnecessarily. PM kindergartens switched to operate on a NPM basis might use the subsidy to increase staff salaries to reduce the profit to the permissible level set by the Government. He asked how the Administration would monitor the fee increases in kindergartens in the 2007-2008 school year and onwards.

7. SEM responded that pre-primary education providers in receipt of subvention under various subsidy schemes were currently subject to the relevant rules and regulations on tuition fee adjustments and staff administration matters. They were required to submit proposals with justifications for increase of tuition fees to EMB for approval. The fees and salaries in individual kindergartens in the 2006-2007 school year would serve as the basis for considering any proposed increases in the 2007-2008 school year. SEM assured members that EMB would carefully examine proposals from kindergartens to increase fees and salaries in the 2007-2008 school year.

Parental choice and the prescribed criteria for kindergartens

8. Mr CHEUNG Man-kwong suggested that EMB should refine the proposed voucher system for subsidising early childhood education to include PM kindergartens which complied with the specified requirements to redeem the voucher. He considered that EMB should respect the right of parents in pursuit of quality pre-primary education for their children and provide them with the same level of financial assistance.

9. SEM explained that the Administration had all along adopted a policy of subsidising only NPM kindergartens in the early childhood education sector. NPM kindergartens were required to reinvest operating surplus to improve the quality of education. However, in the case of PM kindergartens, they had the discretion to use their surplus, such as allocating as dividends to shareholders. As the use of surplus was not regulated, the Administration considered it inappropriate to use public funds to subsidise the operation of PM kindergartens.

10. SEM further said that the objectives of the new initiative were to provide direct subsidies for parents, enhance the quality of pre-primary education and professional upgrading of principals and teachers, and develop an effective quality assurance mechanism in the long run. The Administration would review the implementation of the proposed voucher scheme in 2011-2012. He pointed out that only the accredited NPM kindergartens might redeem the vouchers upon full implementation by the end of the 2011-2012 school year. EMB would provide support to kindergartens to improve their standards. Furthermore, the Administration had set aside \$68 million for the provision of a one-off grant to all kindergartens in the 2007-2008 school year to purchase teaching resources, library books and other learning resources.

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11. Ms Audrey EU said that paragraph 12 of the Administration's paper stated that parents would be directly subsidised in the form of a voucher for their children enrolled in eligible kindergartens. She considered that if the policy objective was to provide parents with direct subsidies, all parents should be given the subsidy, regardless of whether the kindergartens of their choice were PM or NPM, and whether the fee was above or below \$24,000 a year. She held the view that parents should enjoy the right to select kindergartens providing the kind of early childhood education most suitable for their children. As long as a PM kindergarten was up to the standards required under the quality assurance mechanism, it should be eligible to redeem the voucher.

12. SEM pointed out that like the provision of subsidy to aided schools in primary and secondary education, parents who decided to send their children to attend private independent schools or international schools would have to pay the school fees charged by these schools. The Administration considered it appropriate, in the interest of proper use of public fund, to set the prescribed criteria that only NPM kindergartens charging not more than \$24,000 a year were eligible for redemption of the proposed voucher.

13. Mr LEUNG Kwan-yuen said that the Liberal Party supported the introduction of a voucher system to subsidise early childhood education, but considered it inappropriate to take this opportunity to step up regulation of kindergartens to minimise their autonomy. He asked how the Administration could address the concern that some 10% of parents would not be benefited under the proposed voucher system. He considered that EMB should proactively assist PM kindergartens to switch to operate on a NPM basis, and work out measures to facilitate the provision of subsidies to all parents in the provision of early childhood education.

14. SEM responded that he anticipated that many PM kindergartens would switch to operate on a NPM basis in the transition years. As the major objective of the proposed voucher system was to enhance the quality of pre-primary education, EMB would review the prescribed criteria in the light of the operational experience.

15. Mr Frederick FUNG pointed out that since only NPM kindergartens setting fees below \$24,000 a year were eligible for the proposed subsidy, it would in effect limit the choice of parents in selecting kindergartens for their children and force PM kindergartens to consider changing their mode of operation to NPM. He considered that in line with the spirit of education voucher system, EMB should provide the subsidy to children attending PM kindergartens without setting the prescribed criteria. He also suggested that EMB should make reference to the mode adopted by the Social Welfare Department in the provision of subsidy to elderly homes.

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16. SEM reiterated that the Administration considered it reasonable to set the prescribed criteria for subsidising pre-primary education. He stressed that NPM kindergartens were required to reinvest their operating surplus to enhance the quality of teaching and learning but there was no such restriction in the case of PM kindergartens. At this stage, the Administration had no plan to allow PM kindergartens to redeem the voucher.

17. Ms Emily LAU said that since some 10% of parents would not be benefited under the proposed voucher system, they would not accept the criteria that only NPM kindergartens charged at less than \$24,000 a year were eligible for redeeming the voucher. She asked how the Administration would address the concern of these parents, and the additional costs incurred if PM kindergartens were eligible for redeeming the subsidy under the proposed voucher system as well.

18. SEM explained that there were diverse views on the inclusion of PM kindergartens under the proposed voucher system to subsidise early childhood education. The Administration had the responsibility to ensure that public funds were used properly. He envisaged that PM kindergartens intending to become eligible for redeeming the vouchers would proactively plan to switch to operate on a NPM basis during the transition years.

19. Permanent Secretary for Education and Manpower supplemented that there were different education voucher systems in different jurisdictions which were formulated with regard to their own situation including conventions and policies in education. She pointed out that while some voucher systems aimed to assist low income parents, some were designed to support pre-primary institutions to flourish in the long term. In the local context, unlike the provision of nine-year compulsory basic education, early childhood education was not compulsory. In fact, the Government's policy on provision of subsidy to educational institutions in the higher education sector had all along been confined to NPM providers only. Any change of policy to subsidise PM providers would need to be thoroughly discussed and widely accepted by the community before put to implementation.

20. Ms Emily LAU remarked that in line with the principle of "money follows the students", parents would expect that all pre-primary pupils should be eligible for subsidy under an education voucher system. She considered that the Administration should re-consider the prescribed criteria with a view to providing the subsidy to all pre-primary students.

21. Dr Fernando CHEUNG said that the fee levels in many NPM kindergartens were reaching the prescribed maximum of \$24,000. He asked whether the Administration would adjust the maximum ceiling so that these kindergartens could increase fees and hence have funds to improve facilities and upgrade teachers' professionalism to enhance the quality of education.

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22. SEM responded that the current kindergarten fees stood at about \$10,000 a year, based on market situation. The Administration therefore proposed that of the voucher value of \$13,000 for the 2007-2008 school year, \$10,000 should go towards fee reduction and the remaining \$3,000 should be used for professional development of teachers. In proposing the prescribed limit of school fee of \$24,000 a year, EMB had taken into consideration the progressive increase of the subsidy to \$16,000 in the 2011-2012 school year, and had provided a margin of \$8,000 to cater for the difference in fee levels among kindergartens.

23. Mr Tommy CHEUNG asked how many PM kindergartens had set their fees lower than \$24,000 a year, and whether the Administration had set a maximum profit margin for PM kindergartens. He pointed out that in the light of a declining pupil population in recent years, competition in student enrolment was fierce in the sector and many kindergartens had closed down due to under-enrolment. Mr CHEUNG considered that the proposed voucher system would promote enrolment in NPM kindergartens but reduce enrolment in PM kindergartens. He expressed concern that implementation of the voucher system might help NPM kindergartens without a good track record to survive, and adversely affect student enrolment in PM kindergartens with a good track record in early childhood education.

24. SEM responded that many PM kindergartens had set their fees below \$24,000 a year. There was no direct relationship between the fee levels and the quality of education in kindergartens. Although PM kindergartens were subject to a maximum profit of 10%, they enjoyed a high degree of autonomy in the use of funds, including providing remuneration to members of their management committees.

25. Mr Tommy CHEUNG asked whether the Administration had estimated the number of PM kindergartens which would switch to operate on a NPM basis after the implementation of the voucher system. He also asked whether the estimated total investment of \$2 billion per annum covered subsidies on rents and rates to kindergartens. SEM replied that EMB estimated that some 150 PM kindergartens would change to operate on a NPM basis, and the estimated total investment included the provision of rents and rates for eligible kindergartens.

26. Dr Fernando CHEUNG asked whether the Administration would consider extending the voucher system to cover child care centres providing pre-primary services for children aged zero to three. SEM replied that the child care centres were providing care services for children below the age of three. The Administration did not consider it necessary for children below the age of three to receive education.

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Distribution of NPM kindergartens

27. Mr Albert CHAN pointed out that parents residing in locations without a NPM kindergarten in the vicinity might have no choice but to send their children to the nearest PM kindergartens. He was concerned about the absence of NPM kindergartens in Sham Tseng, Ma Wan, Riviera Garden and Lei Muk Shue. He considered that the Administration should refine the prescribed criteria so that parents living in districts without NPM kindergartens were eligible for receiving subsidy for sending their children to attend PM kindergartens.

28. SEM responded that there were some 1 030 NPM kindergartens in the territory and their geographical distribution should be able to accommodate the needs of families in individual districts. He acknowledged that the proposed voucher system for subsidising early childhood education had inspired heated discussion in the community. To become eligible for redeeming the subsidy, many PM kindergartens had indicated an intention to switch to operate on a NPM basis. EMB would provide assistance to these kindergartens as appropriate. He added that teachers and principals in PM kindergartens were also committed and dedicated to enhancing the quality of early childhood education. The Administration envisaged that they would support their kindergartens to switch to operate on a NPM basis.

Salaries and professional development of pre-primary teachers

29. Mr CHEUNG Man-kwong was concerned about deregulation of salaries of pre-primary teachers upon the implementation of the voucher system. He considered it unhealthy to the development of early childhood education that some qualified teachers in PM kindergartens were paid at about \$3,500 to \$4,500 a month. He suggested that EMB should take the opportunity arising from the implementation of the voucher system to rationalise the salaries and professional development of pre-primary teachers among NPM and PM kindergartens.

30. SEM responded that the Administration considered it appropriate to let the market decide the remunerations for kindergarten teachers. He explained that some operators would welcome the provision of more flexibility in salary administration matters and might wish to offer more competitive salaries to teachers with a degree in education or outstanding performance in teaching. He added that before the full implementation in the 2011-2012 school year, all teachers and principals in NPM or PM kindergartens would be subsidised to upgrade their professional development.

Fee remission to needy families under the proposed voucher system

31. Dr Fernando CHEUNG sought clarification on whether the introduction of the voucher system would reduce the provision of fee remission to needy families under the Kindergarten and Child Care Centre Fee Remission Scheme (KCFRS).

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32. SEM clarified that the KCFRS for needy parents would continue to operate in the transition years. Upon the full implementation of the voucher system in the 2011-2012 school year, the scope of the fee remission scheme would be substantially reduced to cater mainly for needy students attending whole-day classes due to social needs.

Way forward

33. Mr CHEUNG Man-kwong said that while the pre-primary sector held diverse views on the prescribed criteria under the proposed voucher scheme, he shared the view of the sector that the Administration should take the opportunity to rationalise the qualifications, salaries and professional development for pre-primary teachers in both PM and NPM kindergartens. He considered that the ultimate aim of subsidising early childhood education was to upgrade the quality of education for pre-primary pupils, and for this purpose the Administration would provide a one-off grant to help PM and NPM kindergartens to achieve an accredited status before the 2011-2012 school year. He urged the Administration to refine the proposed voucher system to cover the remaining 10% of pupils enrolled in PM kindergartens.

34. Ms Audrey EU expressed support for Mr CHEUNG Man-kwong's views and suggestions. She requested the Administration to respect parents' choice to send their children to PM kindergartens, and listen to the views of deputations at the meeting on 13 November 2006.

35. In concluding, the Chairman said that members in general supported the policy initiative to subsidise early childhood education. He requested the Administration to consider members' views and suggestions on the proposed voucher system, in particular the provision of subsidy to parents whose children were enrolled in PM kindergartens.

Gifted education

36. Mr LEUNG Kwan-yuen said that the growth and development of talents from their early ages was vital to the long-term development of Hong Kong in an increasingly knowledge-based economy. He requested the Administration to elaborate on its proposals and support for the provision of gifted education in addition to the proposed Academy on Gifted Education (the Academy) for gifted education.

37. SEM responded that the Government had started to systematically promote gifted education for students with exceptional talent in 2001. Since then, the community had seen a growing number of exceptionally gifted local teenagers rise to fame by winning top awards in international competitions. Currently, EMB was implementing a three-tier gifted education framework. At

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Level 1, support was given within classes. At Level 2, pull-out programmes were provided within the school. At Level 3, off-site programmes were provided for the exceptionally gifted in collaboration with tertiary institutions and professional bodies.

38. SEM also explained that the proposed Academy would be tasked to provide Level-3 support and development programmes for exceptionally gifted students. He pointed out that there had been an increasing demand for a wider range of services and opportunities to cater for the diverse abilities, interests, social and emotional needs of gifted students in schools. At the moment, gifted education in Hong Kong largely focused on mathematics, science and technology and was gradually extended to language, humanity, arts, music and sports in recent years. The mission of the Academy was to expand the pool of talents in terms of both numbers and diversity by providing learning opportunities and specialist services. To realise the mission, the Academy would catalyse and galvanise the efforts of teachers, parents and different sectors of the community to create a supportive, sustainable and enriching learning community for students. In particular, the Academy would network with overseas institutions on gifted education to pool international expertise and to share experience with local practitioners and experts.

Admission of non-local students

39. Ms Audrey EU expressed support for the University Grants Committee (UGC)-funded institutions to admit overseas and Mainland students of high academic calibre for further development of Hong Kong as a regional education hub. She, however, expressed concern about whether increasing the enrolment of non-local students would mean a reduction in enrolment of local students in UGC-funded institutions.

40. SEM responded that any increase in admission of non-local students to UGC-funded institutions would have an impact on local students but the impact was expected to be insignificant. He explained that at present, enrolment of non-local students in UGC-funded institutions was restricted to not more than 10% of the total publicly-funded places. Institutions were allowed to recruit non-local students not more than 4% of the 14 500 first-year-first-degree places which were subsidised by public funds. Non-local students enrolled in excess of the 4% would have to pay higher tuition fees.

41. Ms Audrey EU said that the community would accept the provision of scholarships for high calibre non-local students to pursue higher education in UGC-funded institutions, without affecting the enrolment of local students in these institutions.

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42. SEM responded that UGC-funded institutions could use the matching grants to provide scholarships to non-local students on the basis of academic achievements in order to enhance enrolment of non-local students from different places.

Information Technology in education

43. Mr SIN Chung-kai said that the Policy Address had not mentioned the next strategy for the application and development of information technology (IT) in education. He asked whether and when the Administration would review the use of IT in education and make recommendations before the completion of the current strategic development in 2007.

44. SEM replied that EMB would publish in 2007 the next strategy on IT in education for public consultation. He added that schools were now equipped with various IT workstations and facilities to enhance teaching and learning. Each primary and secondary school should now have some 100-200 and 200-300 computers respectively.

II. Any other business

45. There being no other business, the meeting ended at 12:55 pm.