

**Replies to supplementary questions raised by Finance Committee Members in
examining the Estimates of Expenditure 2008-09**

**Director of Bureau : Secretary for Education
Session No. 12**

Reply Serial No.	Question Serial No.	Name of Member	Head	Programme
S-EDB01	S055	LAU Wai-hing, Emily	156	Primary Education Secondary Education Other Educational Services and Subsidies
S-EDB02	S056	WONG Kwok-hing	156	Other Educational Services and Subsidies
S-EDB03	S057	YEUNG Sum	173 254	Student Assistance Scheme
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Examination of Estimates of Expenditure 2008-09
**CONTROLLING OFFICER'S REPLY TO
SUPPLEMENTARY QUESTION**

Reply Serial No.

S-EDB01

Question Serial No.

S055

Head : 156 Government Secretariat:
Education Bureau

Subhead (No. & title) :

Programme : (2) Primary Education
(3) Secondary Education
(5) Other Educational Services and Subsidies

Controlling Officer : Permanent Secretary for Education

Director of Bureau : Secretary for Education

Question :

With reference to improving the ratio of graduate posts in public sector primary and secondary schools to raise the status and professional standards for enhancement of the overall quality of education, what percentage of these posts will be filled by graduate teachers in 2008/09? When will all the posts be filled by graduate teachers? Are there plans to extend this programme to pre-primary education?

Asked by : Hon. LAU Wai-hing, Emily

Reply :

In the 2008/09 school year, the Government will increase the ratio of graduate teacher posts in public sector primary and secondary schools to 45 per cent and 80 per cent respectively. We expect that these schools may start to fill up the graduate teacher posts as early as 1 September 2008 and the actual date for these posts to be filled depends on the availability of suitable candidates in each school.

Unlike public sector schools, all kindergartens are privately run. There is no prescribed staffing structure nor ratio of graduate posts as those in public primary and secondary schools. Hence the above-mentioned programme is not applicable to pre-primary education.

Signature _____

Name in block letters _____

Raymond H C Wong

Post Title _____

Permanent Secretary for Education

Date _____

10 April 2008

Examination of Estimates of Expenditure 2008-09
**CONTROLLING OFFICER'S REPLY TO
SUPPLEMENTARY QUESTION**

Reply Serial No.

S-EDB02

Question Serial No.

S056

Head : 156 Government Secretariat:
Education Bureau

Subhead (No. & title) :

Programme : (5) Other Educational Services and Subsidies

Controlling Officer : Permanent Secretary for Education

Director of Bureau : Secretary for Education

Question :

The total number of enrolment for the Induction Programmes for newly-arrived children and young people in the 2006/07 school year is 5 023, but the estimated number of enrolment for the 2007/08 school year is greatly reduced to 2 600. The decrease in the number of enrolment is due to the decrease in the number of newly-arrived children from the Mainland. Could the Administration provide this Council with a yearly breakdown of the actual and estimated numbers of newly-arrived children and young people from 2006 to 2008?

Asked by : Hon. WONG Kwok-hing

Reply :

The actual numbers of newly-arrived children aged 6-18 in 2006 and 2007 are about 17 400 and 9 000 respectively and the number of newly-arrived children aged 6-18 in 2008 is estimated to be similar to that of 2007.

Signature _____

Name in block letters _____ Raymond H C Wong

Post Title _____ Permanent Secretary for Education

Date _____ 10 April 2008

Examination of Estimates of Expenditure 2008-09
**CONTROLLING OFFICER'S REPLY TO
SUPPLEMENTARY QUESTION**

Reply Serial No.

S-EDB03

Question Serial No.

S057

Head : 173 Student Financial Assistance Agency Subhead (No. & title) :

254	Loans to Students	201	Students of the universities, the Hong Kong Institute of Vocational Education, Prince Philip Dental Hospital, Hong Kong Institute of Education and Hong Kong Academy for Performing Arts
		202	Non-means-tested loan scheme
		203	Means-tested loan for post-secondary students
		211	Students of approved post-secondary colleges

Programme : Student Assistance Scheme

Controlling Officer : Controller, Student Financial Assistance Agency

Director of Bureau : Secretary for Education

Question :

Regarding the Tertiary Student Finance Scheme – Publicly-funded Programmes (TSFS), Financial Assistance Scheme for Post-secondary Students (FASP), Student Finance Assistance Scheme (SFAS), Non-means Tested Loan Scheme (for full-time tertiary students who are covered under the TSFS), Non-means Tested Loan Scheme for Post-secondary Students (for full time students who are covered under the FASP) and Non-means Tested Loan Scheme (for eligible students who are not covered under the TSFS and FASP):

1. Under what circumstances will cases be written off? Are cases involving the decease of the loan borrowers the only cases that will be written off?
2. How will bankruptcy cases, cases of default in repayment for an excessively long period, etc. be classified?
3. How are administrative fees, recovery costs and interest loss calculated?

Asked by : Hon. YEUNG Sum

Reply :

1. Student loans may be written-off under the following circumstances -
 - (a) on compassionate ground if the loan borrower has passed away;
 - (b) where all efforts to contact a loan borrower and his/her indemnifier(s) have failed, and the loan proves irrecoverable; or
 - (c) where write-off action is advised by the Department of Justice.
2. Statistically, the Student Financial Assistance Agency (SFAA) classifies loan borrowers who have failed to repay two or more consecutive quarterly instalments as defaulters. To ensure public money is not misused, SFAA has been following up default cases to locate the defaulters and their indemnifiers in order to recover the debt. If defaulters and their indemnifiers do not respond to SFAA's action and fail to settle their outstanding loan instalments, SFAA may refer such cases to the Department of Justice for legal action, including taking bankruptcy proceeding against them. The loan will only be written-off under the circumstances described in Part 1 above.
3. An administrative fee applies to non-means-tested loan schemes to recover the costs of processing and administering the loans. It is chargeable for each application and annually thereafter until the loans and the interest thereon are fully repaid.

If a loan borrower fails to settle his/her quarterly instalment by the due date, he/she will be required to pay, in addition to the overdue instalment, a surcharge of 5% in the case of means-tested loans, or an overdue interest equal to the average of the best lending rates of the note-issuing banks for non-means-tested loans.

SFAA is reviewing whether and how recovery costs and administrative costs arising from the recovery action should be charged pursuant to the undertaking signed by the loan borrowers.

Signature _____
Name in block letters _____ LI Wing
Post Title _____ Controller, Student Financial Assistance Agency
Date _____ 9 April 2008

Examination of Estimates of Expenditure 2008-09
**CONTROLLING OFFICER'S REPLY TO
SUPPLEMENTARY QUESTION**

Reply Serial No.

S-EDB04

Question Serial No.

S059

Head : 173 Student Financial Assistance Agency Subhead (No. & title) :

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|-----|-------------------|-----|--|
| 254 | Loans to Students | 201 | Students of the universities, the Hong Kong Institute of Vocational Education, Prince Philip Dental Hospital, Hong Kong Institute of Education and Hong Kong Academy for Performing Arts |
| | | 202 | Non-means-tested loan scheme |
| | | 203 | Means-tested loan for post-secondary students |
| | | 211 | Students of approved post-secondary colleges |

Programme : Student Assistance Scheme

Controlling Officer : Controller, Student Financial Assistance Agency

Director of Bureau : Secretary for Education

Question :

Please provide a breakdown of the incomes from study interest and instalment interest for the past 5 years in respect of the Tertiary Student Finance Scheme – Publicly-funded Programmes (TSFS), Financial Assistance Scheme for Post-secondary Students (FASP), Student Finance Assistance Scheme (SFAS), Non-means Tested Loan Scheme (for full-time tertiary students who are covered under the TSFS), Non-means Tested Loan Scheme for Post-secondary Students (for full time students who are covered under the FASP) and Non-means Tested Loan Scheme (for eligible students who are not covered under the TSFS and FASP).

Asked by : Hon. YEUNG Sum

Reply :

The study interest (i.e. interest charged during study period and repaid after completion of courses) and the instalment interest (i.e. interest charged and repaid after completion of courses) received under the Tertiary Student Finance Scheme – Publicly-funded Programmes (TSFS), the Financial Assistance Scheme for Post-secondary Students (FASP), the Student Finance Assistance Scheme (SFAS), the Non-means Tested Loan Scheme (NLS) applicable to students eligible for TSFS, the Non-means Tested Loan Scheme (NLS) applicable to students eligible for FASP and the extended Non-means Tested Loan Scheme (ENLS) applicable to students not covered by TSFS and FASP for the 2003/04 to 2007/08 academic years are as follows –

(\$ million)	Scheme	Academic Year				
		2003/04	2004/05	2005/06	2006/07	2007/08 (as at 31.1.2008)
Study interest received	TSFS	Not applicable*				
	FASP					
	SFAS					
	NLS	11.93	15.53	22.21	21.44	11.80
	NLSPS	1.14	2.71	7.04	9.38	6.14
	ENLS	4.20	7.79	14.14	14.37	9.22
Instalment interest received	TSFS and SFAS#	37.39	33.70	31.70	42.78	14.80
	FASP	0.32	0.96	2.01	3.31	2.04
	NLS	22.21	28.48	48.41	56.42	28.20
	NLSPS	2.31	6.41	17.90	29.72	17.88
	ENLS	9.43	20.59	48.25	63.94	36.20

* TSFS, FASP and SFAS are means-tested. No interest is charged during the study period.

We have not maintained the breakdown of instalment interest received under TSFS and SFAS. The figures provided denote the combined amount of instalment interest received under the schemes.

Signature _____
Name in block letters LI Wing
Post Title Controller, Student Financial Assistance Agency
Date 9 April 2008