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Hon. Jasper Tsang Yok-sing,
Chairperson for the Panel on Education
Room 520, West Wing
Central Government Offices
Hong Kong

July 14, 2008

Dear Mr. Tsang,

The NESTA Benefits and Welfare Committee (B. & W. Committee) is writing to you, once again, to express our disappointment over the lack of progress to resolve the issues of improvements to the NETs' remuneration package and the lowering of the qualifications criteria to work in the NET Scheme.

The B. & W. Committee met with the EDB at the NESTA-EDB Liaison meeting on 30th June 2008. We received some feedback on our initial proposal and rationale to improve the remuneration package for NETs, which was previously presented to the EDB at our meeting on 7th April 2008. Discussion took place on the Special Allowance. However, the EDB did not provide any substantial feedback on the other aspects of the proposal, which in our opinion was very disappointing.

In relation to the discussion on the Special Allowance, the Committee requested that the EDB review the rate to reflect rental prices in 2008. The EDB referred to the 'Average Rents' mechanism (Rating and Valuation department figures) in 2005 when the Special Allowance was increased from 10,500HKD per month to 12,950HKD per month. This mechanism was approved by the Legislative Council, along with the delegation of authority for adjusting the rate in future to the Secretary for Education.

The Committee has 3 main concerns in relation to the review of the NETs' remuneration package.

1. The EDB did not review the Special Allowance in 2007 despite a substantial increase to the 'Average Rents' at that time.

The EDB indicated in April that their figures showed a 9% increase in rents since January 2006. This percentage increase fell short of the 10% adjustment needed in order to consider changing the rate and was explained as the reason why the allowance wasn't adjusted in 2007. However, following further review of the rental situation, the EDB acknowledged that there actually had been a far greater increase in rental prices.

Our own analysis of the statistics for 2007 shows that rents increased by 17.4% according to the 'Average Rents' that the EDB are using to monitor rental prices. Therefore, given that this increase of 17.4% is well in excess of 10%, we do not understand why the EDB didn't review the Special Allowance for 2007 and make the increase retroactive from September 2007.

Rents have continued to rise by an additional 16.6% in 2008 (again, according to the LEGCO-approved mechanism), yet the EDB has still been reluctant to consider a fair increase to the Special Allowance.

2. The EDB is not applying the same methodology to monitor changes in rental prices as the one approved by the Legislative Council in 2005.

The EDB confirmed that they are obliged to use the current mechanism of 'Average Rents' because this mechanism was approved by the Legislative Council in 2005. In 2005 when the Special Allowance was last increased, the EDB did follow the mechanism approved at that time, based on the figures from January to July 2005, with the increase backdated from September 2005. We believe that the same procedure should have been followed this time.

The EDB indicated that they would look at the full 12-month figures on this occasion. This means that they would have to refer to 2007 figures, as 12-month figures for 2008 figures won't be available until at least February 2009. We believe that this is unfair. The EDB must act with urgency to ensure that the Special Allowance is reviewed fairly and any increase reflects the situation now by referring to 2008 figures and not 2007 figures. The previous methodology used should also be followed to allow for consistency and fairness.

We are calling for a review of the Special Allowance based on the figures from January 2007 to July 2008, which will be available in October 2008. This would allow for a fair increase to the allowance, as well as backdated payments.

3. The EDB stated that they have not spent much time on the other items of the remuneration package because these items lacked an established mechanism for a review.

Changes to the Gratuity, the Retention Incentive and the Baggage and Medical Allowances, which are the same as they were in 1998, must be improved. We also believe that NETs with children need some help with education fees in the form of an Education Allowance. It is essential that improvements to the overall remuneration package be implemented, in order to ensure that the NET scheme continues to recruit and retain experienced and qualified NETs, for the benefit of English-language education in Hong Kong schools.

The B. & W. Committee are also concerned that the EDB has deliberately lowered the qualification criteria for the recruitment of NETs in order to attract as many people to the scheme as possible to improve the attrition rate. As reported in the Education Post of the SCMP on Saturday, July 12, 2008, recent figures released by the EDB reveal that 38.7% of primary NETs recruited to the scheme in 2006 and 2007 did not possess any form of teacher training.

It is interesting to note that some of these new recruits started in schools as English Language Teaching Assistants (ELTAs). According to Chatteris Education Foundation, a foundation that provides ELTAs to schools, in order to be recruited as an ELTA, one only needs to be a native English speaker or have native level English competence, be a university graduate in any discipline, and have excellent clarity of speech. No teaching experience is required. ELTAs work in the Government schools for \$13000 per month. With no further qualifications, ELTAs and other native English speaking university graduates are being appointed as NETs under the Enhanced NET Scheme in the primary schools for \$34950 per month. NETs recruited with no qualifications are expected to have the minimum qualifications within their first contracts. It is unfortunate for the Enhanced NET Scheme that many of these new recruits are much less qualified and lack the necessary PGDE or equivalent - the benchmark in Western countries and in Hong Kong for ensuring that a teacher is qualified. They also lack the necessary experience to develop and implement the new curriculum.

Qualified, experienced NETs are fundamental to the success of the new curriculum. The EDB needs highly qualified, experienced NETs in such areas as English Language and Literature, Applied Linguistics, and Teaching English to Speakers of Other Languages (TESOL). The EDB needs to recruit NETs who not only know how to teach English but also how to develop and implement a curriculum for phonics, language arts, process writing, drama, debate, poetry, reading, literature, and so on. If inexperienced and unqualified foreign 'teachers' are recruited to teach in the Government and Aided Primary and Secondary Schools in Hong Kong, the ones who will stand to lose the most will be the Hong Kong students. This practice of accepting unqualified people as NETs weakens and undermines the integrity of the Enhanced NET Scheme.

In order to ensure that the government's substantial financial commitment to the NET scheme offers 'value for money' in the form of successful outcomes; an improvement in Hong Kong children's English proficiency levels; qualified and experienced teachers must be attracted to the scheme.

Therefore, Mr. Tsang, we would be grateful if you could bring these issues to the attention of the other Panel on Education members and consider the inclusion of the above items on the agenda of the next available Panel on Education meeting.

We thank you for your time and look forward to hearing from you soon. I can be reached at

Lee Weston
Craig Boswell
Steven Madden
Perry Bayer
(on behalf of the NESTA Benefits and Welfare Committee)