

Mr. Michael M.Y. Suen, GBS, JP
Secretary for Education's Speaking Note
at the Special Meeting of Finance Committee
to examine the Draft Estimates of Expenditure 2009-10
on 27 March 2009

Madam Chairman,

The Government has been devoting substantial resources to the development of human capital through education in order to enhance the quality of our young generation and meet the ever-changing needs and challenges of our economy.

2. The total expenditure for the policy area of education for the 2009-10 financial year is estimated at about \$61.7 billion, accounting for the largest spending area of the total Government expenditure. There is a decrease of \$14.2 billion as compared with the revised estimate for 2008-09, mainly due to the one-off funding subsumed in the total expenditure for 2008-09 for setting up an \$18-billion Research Endowment Fund.

3. About \$53.8 billion of the total expenditure for education is recurrent in nature, representing a growth of \$3.5 billion (7%) as compared with the revised estimate for 2008-09. Non-recurrent expenditure including the expenditure of Capital Account, Capital Works Reserve Fund and Loan Fund is about \$7.9 billion. There are increases in the estimated expenditure for a number of items.

4. With effect from the 2009/10 school year, we will implement small class teaching in public sector primary schools by phases to improve their teaching environment and cater for individual learning diversity more effectively. In addition, we will further enhance the ratio of graduate teachers in public sector primary and secondary schools to 50% and 85% respectively.

5. The New Senior Secondary (NSS) Curriculum will be implemented starting from the 2009/10 school year. The NSS academic

structure aims to nurture students' ability in self-learning, creativity and adaptability to changes, so as to enable their balanced development and integration into society. This is a long-term and large-scale education reform programme. For full implementation of the relevant initiatives, we have to provide secondary schools and tertiary institutions with an additional recurrent expenditure of about \$2 billion per annum to meet their resource requirements. We will put in place a wide range of measures to ensure smooth implementation of the NSS Curriculum in schools, including provision of professional development courses and professional support to enhance teachers' understanding of the NSS Curriculum as well as their confidence in learning and teaching. The total expenditure involved is estimated at \$1.9 billion. Meanwhile, we have earmarked provisions to support tertiary institutions in planning and developing the new curriculum in tandem with the implementation of the new academic structure. We have also provided capital works funding for the institutions to enhance their teaching space and relevant facilities. The total expenditure in this regard is estimated at about \$5.6 billion. Upon the implementation of the new academic structure, students of the institutions will have more flexibility in course choices, and elements such as academic exchange, job attachment and community service will be strengthened accordingly. Some elements of the new curriculum will be phased in during the 2009/01 - 2011/12 triennium. This will benefit students enrolling on the current three-year undergraduate programme.

6. To further enhance the proficiency of our students in both Chinese and English, we propose to fine-tune the medium of instruction for secondary schools, allowing them more room for development under the prescribed criteria so that they could provide their junior secondary students with more opportunities of exposure to and use of English so as to facilitate students in bridging over to senior secondary and post-secondary curriculum in English and in meeting their future employment needs. We are now discussing the implementation details of the fine-tuning with stakeholders and aim to finalise the arrangements by the end of May this year for implementation from 2010/11 school year. We have earmarked resources to support the content subject teachers in secondary schools, such as provision of in-service training courses with supply teachers and conducting a large-scale study on English-medium

extended learning activities. These initiatives will incur a total expenditure of about \$640 million.

7. Furthermore, we will enhance the English learning environment for students in primary level. We will also introduce various enhancement measures, including establishment of a scholarship to attract talented and interested people to join the teaching profession, provision of supply teachers for primary schools to relieve their regular English Language teachers in pursuit of subject knowledge as well as various teaching pedagogies, and other relevant measures to improve the English learning environment and enrich the learning resources of schools. The estimated expenditure in this regard will add up to about \$330 million.

8. For the 2009-10 financial year, we will set aside an additional expenditure of \$21 million to promote national education, increase the learning and exchange opportunities in the Mainland for our students, and enhance the related professional development and exchange programmes for our teachers. About 37 000 primary and secondary school students are expected to benefit.

9. In the tertiary education sector, we will provide 800 additional publicly-funded places for research postgraduate programmes by phases from the 2009/10 academic year, incurring an additional expenditure of \$300 million a year upon full implementation. This initiative helps to drive further development of Hong Kong and to enhance our competitiveness as we embrace the challenges of a knowledge-based economy.

10. On pre-primary education, we will continue to provide direct fee subsidy for parents of eligible children under the Pre-primary Education Voucher Scheme (PEVS) and financial support for professional upgrading of kindergarten principals and teachers. In the 2009/10 school year, the estimated expenditure for PEVS is about \$1.6 billion. The fee subsidy amount for each student will increase from \$11,000 to \$12,000 a year.

11. Regarding the financial assistance to students, the expenditure for the 2009-10 financial year is estimated at about \$3.3 billion, representing a growth of about \$200 million (6%) as compared with the

2008-09 financial year. As we may face a further downturn in economy, we consider it necessary to increase the estimated expenditure to cope with the possible increase in the number of applicants and the amount of subsidies under various Student Financial Assistance Schemes.

12. Madam Chairman, my colleagues and I will be happy to answer questions from Members.

Education Bureau
27 March 2009