

ITEM FOR FINANCE COMMITTEE

HEAD 156 - GOVERNMENT SECRETARIAT : EDUCATION BUREAU

Subhead 700 General non-recurrent Item 027 Project Yi Jin

Members are invited to approve an increase in commitment for Project Yi Jin from \$790 million by \$280 million to \$1,070 million to provide continued financial support for eligible students until the 2011/12 academic year.

PROBLEM

The existing approved commitment of \$790 million for Project Yi Jin (PYJ) is insufficient to fund its operation until the 2011/12 academic year.

PROPOSAL

2. The Secretary for Education proposes to increase the commitment for PYJ from \$790 million by \$280 million to \$1,070 million, in order to continue providing financial support for eligible students until the 2011/12 academic year.

JUSTIFICATION

3. Since the introduction of PYJ in October 2000, a total of over 69 000 students and adult learners have joined, and PYJ has become increasingly popular in recent years. The annual enrolment has increased significantly from an average of about 4 200 per annum during the 2000/01 to 2005/06 academic years to over 15 000 in the 2009/10 academic year. The enrolment figures since October 2000 are tabulated below –

/Academic

Academic Year	Full-time	Part-time ⁽¹⁾	Total	Change versus the previous year
2000/01	3 267 (77%)	985 (23%)	4 252	N.A.
2001/02	2 085 (63%)	1 223 (37%)	3 308	-22%
2002/03	2 804 (81%)	647 (19%)	3 451	+4%
2003/04	2 880 (79%)	746 (21%)	3 626	+5%
2004/05	4 363 (81%)	1 018 (19%)	5 381	+ 48%
2005/06	4 147 (83%)	835 (17%)	4 982	-7%
2006/07	6 462 (80%)	1 613 (20%)	8 075	+62%
2007/08	7 994 (80%)	1 970 (20%)	9 964	+23%
2008/09	8 217 (76%)	2 630 (24%)	10 847	+9%
2009/10	12 232 (80%)	3 000 (20%) ⁽²⁾	15 232	+40%
Total	54 451 (79%)	14 667 (21%)	69 118	-

Note: ⁽¹⁾ Full-time equivalent is used to count the number of part-time students.

⁽²⁾ Provisional figure.

4. The overall passing rates (for all ten modules under PYJ) of full-time students in the past three academic years were 64%, 63% and 66% respectively.

5. In 2008, this Committee approved vide FCR(2008-09)27 the extension of PYJ to the 2011/12 academic year. This has taken into consideration the implementation of the New Senior Secondary (NSS) Academic Structure in September 2009. The last batch of students under the current secondary school system will complete Secondary 5 in summer 2010. Although the majority of Secondary 5 school leavers would have completed their one-year full-time PYJ in the 2010/11 academic year, to facilitate other students (e.g. adult learners and part-time students) to complete their courses, the programme should last until the 2011/12 academic year.

Encl.

6. When in 2008 we proposed an increase in commitment from \$435 million to \$790 million, we envisaged that the addition of \$355 million would be sufficient for providing financial assistance to eligible students from the 2008/09 to 2011/12 academic years. However, the number of students enrolled in PYJ since the 2008/09 academic year has been significantly higher than our previous projection. At the end of 2009-10, the cumulative expenditure for PYJ was about \$544 million. Along this trend, we project that the number of students who will enroll in the 2010/11 and 2011/12 academic years will also be greater than our earlier projection. The latest projected student population and estimated expenditure for these two academic years are at Enclosure. On the basis of these new projections we anticipate that the remaining balance of the commitment of \$246 million would not be sufficient to meet the projected funding requirement for students of the 2010/11 and 2011/12 academic years. Further injection is required.

FINANCIAL IMPLICATIONS

7. It is estimated that an additional funding of \$280 million is required to continue providing financial support for eligible PYJ students until the 2011/12 academic year. A breakdown of the additional estimated funding requirement is as follows –

	(\$ million)
Reimbursement of tuition fees for eligible students of the 2009/10 academic year	168
Reimbursement of tuition fees for eligible students of the 2010/11 academic year	237
Reimbursement of tuition fees for eligible students of the 2011/12 academic year	103
Other expenses (such as student support activities, publicity, promotion, studies and surveys) for the 2009/10 to 2011/12 academic years	18
Total requirements	526
Minus remaining balance	(246)
Additional requirements	280

8. A cash flow projection of the additional expenditure is set out below –

	2011-12	2012-13	Total
	(\$ million)	(\$ million)	(\$ million)
Reimbursement of tuition fees ¹	171	103	274
Other expenses (such as student support activities, publicity, promotion, studies and surveys)	3	3	6
Total	174	106	280

9. The expenditure is mainly for the reimbursement of tuition fees for the eligible students². The exact amount of expenditure each year will depend on the actual student number, the percentage of students eligible for full fee assistance after means testing, and the number of modules that the students can complete successfully. Subject to the Finance Committee (FC)'s approval, we will earmark sufficient provision in the Estimates of the relevant financial years.

New PYJ type programme under the new academic structure

10. The first student cohort under the NSS Academic Structure will complete their secondary education and participate in the Hong Kong Diploma of Secondary Education Examination (HKDSE) in 2012. We are working with the Federation for Continuing Education in Tertiary Institutions (FCE)³ to consider

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¹ The majority of the estimated expenditure for an academic year, i.e. reimbursement of tuition fees, will normally be reflected in the subsequent financial year.

² All PYJ students are currently eligible for reimbursement of 30% of the tuition fees paid for each satisfactorily completed module, subject to their having passed an overall assessment and having achieved 80% attendance or above for the module as confirmed by the institution. For needy students meeting these assessment and attendance criteria and passing the means test for full grant administered by the Student Financial Assistance Agency, they can receive 100% reimbursement of the tuition fees paid for each satisfactorily completed module.

³ The FCE was established in 1994 to promote lifelong learning in Hong Kong. Its current membership consists of the continuing and professional education (CPE) units of the eight University Grants Committee-funded institutions and other major providers of CPE programmes in Hong Kong. All programmes under PYJ are provided by members of the FCE.

the merits and feasibility of providing a new programme based on the PYJ model under the new academic structure. We have completed the first stage of the study. Based on the findings of the study, PYJ has successfully provided an alternative pathway for those who have completed Secondary 5 with unsatisfactory Hong Kong Certificate of Education Examination (HKCEE) results to obtain a formal qualification. The programme is a worthwhile option for young people to acquire the necessary knowledge, skills and attitudes for both work and further studies. The PYJ experience has also exerted a very positive influence on the students' personal growth, interpersonal skills and career planning.

11. The NSS Academic Structure is designed to create more flexible and broad-based learning opportunities for all students during six years of secondary education. The new curriculum can better cater for students' different aptitude, abilities and needs. Nevertheless, having regard to the benefits of PYJ, we see merits in continuing a programme based on the PYJ model to provide a viable "second chance", at least at the initial stage after the implementation of the NSS Academic Structure. There will also be adult learners who wish to acquire the basic qualification to pursue further studies and seek employment. There is therefore a need to develop a new programme to cater for these demands. We are now considering the development of a new programme which, if adopted, could be put in place from the 2012/13 academic year onwards.

PUBLIC CONSULTATION

12. We consulted the Legislative Council Panel on Education on the above proposal on 13 May 2010. Members have no objection to the proposal and considered that PYJ is a valuable programme providing an alternative pathway for students who did not perform well in the mainstream secondary education. Some Members raised concerns about the articulation prospects of the last cohort of Secondary 5 students and suggested that Secondary 5 places should be provided under PYJ to enable these students to retake the last HKCEE in 2011.

13. PYJ was launched to provide an alternative route and expand the continuing education opportunities for secondary school leavers and adult learners. It is a skill-based programme with emphasis on biliteracy, trilingualism, information technology application and certain practical subjects. It is very different from the mainstream Secondary 5 curriculum and hence should not be treated as a pathway for students to repeat Secondary 5 to retake HKCEE. Apart from PYJ, there are a number of available pathways for the last cohort of Secondary 5 students. In addition to further study in Secondary 6, students may

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also consider sub-degree programmes, vocational education/training, other continuing education programmes or pre-employment programmes. Besides, students may consider switching to Secondary 5 under the NSS curriculum and sit for the first HKDSE in 2012.

BACKGROUND

14. PYJ was launched in October 2000 to provide an alternative pathway and to expand the continuing education opportunities for Secondary 5 school leavers and adult learners. The programme is run by members of the FCE on a self-financing basis. A PYJ student is awarded a full PYJ certificate after he/she has passed all ten modules of the programme. The certificate has been assessed by the Hong Kong Council for Accreditation of Academic and Vocational Qualifications as comparable to five passes in the HKCEE for continuing education and employment purposes.

15. FC approved in May 2000 a commitment of \$200 million to provide funding support for students admitted to PYJ during the three academic years from 2000/01 to 2002/03. Student travel subsidy and non-means tested loan are also available for eligible students. In July 2002, FC approved the reimbursement of tuition fee in full (100%) to needy students who have passed the means test upon their successful completion of the modules. Having regard to the success of PYJ, FC further approved in April 2003 the extension of the scheme for another two academic years until the 2004/05 academic year. The commitment was further increased from \$200 million to \$435 million in January 2005 and then to \$790 million in June 2008.

16. At present, nine FCE institutions are offering the PYJ programme, namely the continuing and professional education arms of the City University of Hong Kong, Open University of Hong Kong, Lingnan University, Hong Kong Institute of Education and Hong Kong Baptist University, and Vocational Training Council, Caritas Community and Higher Education Service, Hong Kong College of Technology and Hong Kong Institute of Technology. The tuition fee currently charged by the institutions ranges from \$27,500 to \$29,500.

17. PYJ aims to upgrade students' knowledge through combining practical training and academic pursuance, with emphasis on biliteracy, trilingualism and information technology application. Students may take the programme on a full-time or part-time basis. The programme consists of 600 contact hours, including 420 contact hours for core modules and 180 contact hours for electives. The core modules include Chinese Language, English Language I, English Language II, Mathematics, Information Technology, Putonghua and Communication Skills. A wide range of practical subjects are offered as electives to cater for students' interest. In general, full-time students can complete PYJ in one year. Depending on individual schedules, part-time students may complete the programme within two years.

18. The PYJ certificate has been accepted by the Government as meeting the entry requirement of more than 30 civil service grades which require five passes (including English Language and Chinese Language) in the HKCEE.

Education Bureau
June 2010

**Projected student population and estimated expenditure
for Project Yi Jin**

Academic year	Student population¹	Financial year	Actual expenditure (\$ million)	Estimated expenditure (\$ million)	Additional funding requirement (\$ million)
2000/01 to 2008/09	53 886 (actual)	2009-10 and before	544	-	-
2009/10	15 232 (provisional) ²	2010-11	-	175	-
2010/11	21 000 (projection) ³	2011-12	-	71	174
2011/12	9 000 (projection) ⁴	2012-13	-	-	106
Total	99 118	-	544	246	280

¹ The student population is the sum of the number of full-time students and the number of full-time equivalent part-time students.

² The student population of the 2009/10 academic year is a provisional figure as the actual number of part-time students will not be finalised until mid 2010.

³ It is projected that the demand for PYJ will continue to increase in the 2010/11 academic year as we expect that more Secondary 5 school leavers will consider enrolling in PYJ as an alternative route.

⁴ It is projected that the demand for PYJ will decrease in the 2011/12 academic year as there will not be any Secondary 5 school leavers in 2011. PYJ will however continue to be offered to cater for the needs of adult learners and part-time students pursuing the programme then.