Speaking Note by Mr. Eddie Ng Hak-kim, SBS, JP, Secretary for Education at the Special Meeting of the Legislative Council's Finance Committee to examine the Estimates of Expenditure 2016-17 on 8 April 2016

Mr. Chairman,

We believe that nurturing of talent starts with education. The Government attaches great importance to investing in education and keeps increasing resources to provide quality education and training, for the purposes of facilitating upward social mobility and promoting the sustainable development of Hong Kong.

2. The total estimated expenditure on education for the year 2016-17 amounts to \$84 billion, which is \$4.9 billion higher than the 2015-16 revised estimate. Of this total, the estimated recurrent education expenditure will increase by \$2.24 billion to \$74.7 billion, accounting for about 21.5 per cent of the total government recurrent expenditure and taking up the largest share among all policy areas.

3. Over the past decade, the population structure of Hong Kong kept changing with aging population thereby bringing pressure on the demand for social welfare and health services, while the number of students studying in primary and secondary schools dropped by 20 per cent to 30 per cent. Notwithstanding this, the recurrent education expenditure continued to grow annually with a cumulative growth of almost 70 per cent.

4. In 2016-17, the major new initiatives to be implemented include:

I. <u>Pre-primary Education</u>

- Starting from the 2017/18 school year, we will implement the free quality kindergarten (KG) education policy and provide KGs with direct subsidy with a view to greatly enhancing the quality of KG education. It is estimated that the Government's recurrent funding for pre-primary education will substantially increase to \$6.7 billion in the 2017/18 school year. The required resources have been earmarked and the additional recurrent expenditure will be accounted for in the 2017-18 estimate;
- We are actively preparing for and working out the details for implementing the policy. The Panel on Education has agreed for us to put up the proposal of creating directorate posts to the Establishment Sub-committee. We hope the proposal can be considered as early as possible, and we are happy to provide further information as needed;

II. Primary and Secondary Education

- Establish a Gifted Education Fund of \$800 million;
- Allow schools to turn the Senior Secondary Curriculum Support Grant and Career and Life Planning Grant into regular teaching posts. This is expected to provide about 1 000 additional teaching posts at the Graduate Master/Mistress rank;
- Provide full subsidy for students to attend Applied Learning courses in support of vocational and professional education;
- For promoting Science, Technology, Engineering and Mathematics (STEM) education, we disbursed a total of about \$55.5 million as a one-off grant to all government, aided and DSS primary schools, including special schools with a primary section; renew the Curriculum Guides of Science Education, Technology Education and Mathematics Education Key Learning Areas; and organise on-going professional development programmes for curriculum leaders and teachers to share good practices on curriculum organisation as well as learning and teaching;

• Improve the ratio of educational psychologist to school to 1:4 progressively for public sector schools with a large number of students with special educational needs;

III. <u>Post-secondary Education</u>

- Propose to inject \$1 billion into the HKSAR Government Scholarship Fund and use the investment income thus generated to offer additional scholarships in phases under the Targeted Scholarship Scheme to attract more outstanding students from countries and regions along the "Belt and Road" to pursue studies in Hong Kong. The "Belt and Road" regions cover many countries/regions spanning Asia, Eastern Europe, Middle East and Africa. Encouraging more "Belt and Road" students to come to Hong Kong to pursue university study will help promote internationalisation and diversification of the local higher education sector, and enhance the competitiveness of our students and Hong Kong as a whole. A multi-cultural learning environment, with students coming from other countries/regions, will help enhance cultural exchanges, broaden the horizons of the local students and help ensure that our graduates are globally competitive;
- Expand the scope of the Mainland University Study Subsidy Scheme to benefit the bulk of Hong Kong students with financial need pursuing undergraduate studies in the Mainland;
- Provide more First-Year-First-Degree places in healthcare disciplines;

IV. Vocational and Professional Education and Training

- As announced in the 2016 Policy Address, the Government accepted all 27 recommendations made by the Task Force on Promotion of Vocational Education in its report;
- Among other measures, the Government will extend the Pilot Training and Support Scheme to benefit two more cohorts of intakes admitted to training programmes offered by the Vocational Training Council (VTC) to benefit additional 2 000 students. We will adhere to the current implementation

details, including the provision of salary and allowances to participating students, training period, timing and amount of allowances, as well as the industries covered by the scheme. The total commitment of the pilot scheme will be doubled to \$288 million from the original \$144 million; and

• Separately, as announced in the Budget this year, a pilot scheme will be implemented to provide tuition fee subsidy for three cohorts of students admitted to designated professional part-time programmes in the disciplines of construction, engineering and technology offered by the VTC so as to further encourage continuing education.

5. Mr. Chairman, my colleagues and I will be happy to answer further questions from Members.

Education Bureau