

立法會
Legislative Council

LC Paper No. FC175/16-17
(These minutes have been
seen by the Administration)

Ref : FC/1/1(3)

Finance Committee of the Legislative Council

Minutes of the 4th meeting
held at Conference Room 1 of the Legislative Council Complex
on Friday, 6 January 2017, at 5:40 pm

Members present:

Hon CHAN Kin-por, BBS, JP (Chairman)
Hon Michael TIEN Puk-sun, BBS, JP (Deputy Chairman)
Hon Tommy CHEUNG Yu-yan, GBS, JP
Prof Hon Joseph LEE Kok-long, SBS, JP
Hon Jeffrey LAM Kin-fung, GBS, JP
Hon WONG Ting-kwong, SBS, JP
Hon Starry LEE Wai-king, SBS, JP
Hon CHAN Hak-kan, BBS, JP
Hon WONG Kwok-kin, SBS, JP
Hon Mrs Regina IP LAU Suk-yee, GBS, JP
Hon Paul TSE Wai-chun, JP
Hon LEUNG Kwok-hung
Hon Claudia MO
Hon Steven HO Chun-yin, BBS
Hon Frankie YICK Chi-ming, JP
Hon WU Chi-wai, MH
Hon YIU Si-wing, BBS
Hon MA Fung-kwok, SBS, JP
Hon Charles Peter MOK, JP
Hon CHAN Chi-chuen
Hon LEUNG Che-cheung, BBS, MH, JP
Hon Kenneth LEUNG
Hon Alice MAK Mei-kuen, BBS, JP

Dr Hon KWOK Ka-ki
Hon KWOK Wai-keung
Hon Dennis KWOK Wing-hang
Hon Christopher CHEUNG Wah-fung, SBS, JP
Dr Hon Fernando CHEUNG Chiu-hung
Hon IP Kin-yuen
Dr Hon Elizabeth QUAT, JP
Hon Martin LIAO Cheung-kong, SBS, JP
Hon POON Siu-ping, BBS, MH
Dr Hon CHIANG Lai-wan, JP
Ir Dr Hon LO Wai-kiwok, SBS, MH, JP
Hon Alvin YEUNG
Hon Andrew WAN Siu-kin
Hon CHU Hoi-dick
Hon Jimmy NG Wing-ka, JP
Hon HO Kai-ming
Hon LAM Cheuk-ting
Hon Holden CHOW Ho-ding
Hon SHIU Ka-fai
Hon SHIU Ka-chun
Hon Wilson OR Chong-shing, MH
Hon YUNG Hoi-yan
Dr Hon Pierre CHAN
Hon CHAN Chun-ying
Hon Tanya CHAN
Hon CHEUNG Kwok-kwan, JP
Hon HUI Chi-fung
Hon LUK Chung-hung
Hon LAU Kwok-fan, MH
Hon Kenneth LAU Ip-keung, MH, JP
Dr Hon CHENG Chung-tai
Hon KWONG Chun-yu
Hon Jeremy TAM Man-ho
Hon Nathan LAW Kwun-chung
Dr Hon LAU Siu-lai

Members absent:

Hon James TO Kun-sun
Hon LEUNG Yiu-chung
Hon Abraham SHEK Lai-him, GBS, JP
Dr Hon Priscilla LEUNG Mei-fun, SBS, JP

Hon CHAN Han-pan, JP
Dr Hon Helena WONG Pik-wan
Hon CHUNG Kwok-pan
Dr Hon Junius HO Kwan-yiu, JP
Dr Hon YIU Chung-yim

Public officers attending:

Ms Elizabeth TSE Man-yee, JP	Permanent Secretary for Financial Services and the Treasury (Treasury)
Ms Carol YUEN, JP	Deputy Secretary for Financial Services and the Treasury (Treasury) ¹
Mr Alfred ZHI Jian-hong	Principal Executive Officer (General), Financial Services and the Treasury Bureau (The Treasury Branch)
Mr Kevin YEUNG, JP	Under Secretary for Education
Mrs Michelle WONG, JP	Deputy Secretary for Education (3)
Mrs CHAN SIU Suk-fan	Principal Education Officer (Kindergarten Education), Education Bureau

Clerk in attendance:

Ms Anita SIT	Assistant Secretary General 1
--------------	-------------------------------

Staff in attendance:

Mr Derek LO	Chief Council Secretary (1) ⁵
Ms Ada LAU	Senior Council Secretary (1) ⁷
Mr Raymond SZETO	Council Secretary (1) ⁵
Mr Frankie WOO	Senior Legislative Assistant (1) ³
Miss Yannes HO	Legislative Assistant (1) ⁶

Item No. 1—FCR(2016-17)77

HEAD 156—GOVERNMENT SECRETARIAT: EDUCATION BUREAU

Subhead 700—General non-recurrent

New Item—"One-off start-up grant for kindergartens joining the Free Quality Kindergarten Education Scheme"

The Finance Committee ("FC") continued with the deliberation on the item FCR(2016-17)77.

Uses of the one-off start-up grant

2. Mr IP Kin-yuen hoped that the Administration would interpret the ambit of the one-off start-up grant in a liberal manner.

3. Noting that the one-off start-up grant might be used, among others, to assist in preparing and refining accounting system and guidelines, Mr Kenneth LEUNG was concerned whether the grant would be sufficient for kindergartens ("KGs") to engage appropriate professionals to do this task as it was complicated to establish an accounting system.

4. Under Secretary for Education ("US(Ed)") said that, as far as the Administration understood, participating KGs ("Scheme-KGs") generally had an accounting system in place for the bookkeeping of daily expenses; therefore, they would not have to establish an accounting system from scratch. The one-off start-up grant was mainly for the purpose of refining the existing accounting arrangements so as to bring them in line with the Administration's requirements. For example, KGs would have to record incomes and expenditures under government and non-government funds accounts separately.

5. Dr Fernando CHEUNG expressed concern over one of the uses of the one-off start-up grant, i.e. assisting schools in revamping their websites to enhance the transparency of school operation. He said that online information was very important to students with special educational needs ("SEN") and their parents. However, key information such as curriculum arrangements and teachers' qualifications was neither provided on the Government's School Profiles website nor available on the websites of individual KGs. He urged the Administration to ask Scheme-KGs to provide more information on their websites so as to enhance transparency.

6. US(Ed) said that the provision of services for SEN students in KGs fell under the policy purview of the Labour and Welfare Bureau ("LWB"). LWB was currently launching the Pilot Scheme on On-site Pre-school Rehabilitation Services ("the Pilot Scheme") to provide services to SEN students in KGs. The Administration was positive about the suggestion of enhancing the transparency of KG information.

7. Dr Fernando CHEUNG said that the Chief Secretary for Administration had undertaken to regularize the Pilot Scheme and he urged the Administration to fulfill the promise. US(Ed) said that the Administration would review the Pilot Scheme in due course so as to consider the details of its regularization.

8. Mr HUI Chi-fung was concerned about the lowering of teacher-pupil ratio, i.e. one of the policy objectives of the Free Quality Kindergarten Education Scheme ("the Scheme"), as it might require KGs to carry out renovation and alteration works to their classrooms. He was worried that the one-off start-up grant might not be adequate.

9. US(Ed) advised that, in the view of the Administration, KGs might improve their teacher-pupil ratios by different means. For instance, KGs might maintain their existing classes and, at the same time, properly utilize their additional staff to develop school-based programmes and strengthen support for students with diverse needs. Therefore, it was not a must for KGs to alter their classrooms.

10. Ms Claudia MO asked whether the one-off start-up grant could be deployed by KGs for hiring part-time translators to help them communicate with parents of ethnic minority ("EM") students. Mr LEUNG Kwok-hung raised a similar question.

11. US(Ed) said that whether such expenditures fell within the ambit of the one-off start-up grant depended on the circumstances. Should there be any KGs having such needs, EDB would follow up their cases based on individual merits.

Disbursement arrangement of the one-off start-up grant

12. Mr WU Chi-wai asked the Administration whether the one-off start-up grant would be provided to KGs which intended to join the Scheme only after its implementation in 2017 or Scheme-KGs which changed their school sponsoring bodies after the implementation of the Scheme.

13. US(Ed) said that after the implementation of the new policy in 2017/18 school year, the KGs concerned should have known clearly about the Scheme's requirements on school operation and should have made the necessary preparation. The Administration therefore had no plan to provide the one-off start-up grant to such KGs.

14. Mr CHU Hoi-dick referred to media reports stating that some KGs were suspected of overcharging application fees or using a variety of pretexts to charge additional fees. He enquired whether the Administration would penalize the Scheme KGs concerned by calling back the one-off start-up grants if they were found to have overcharged.

15. US(Ed) responded that under the Scheme, there was a ceiling on application fee which was set at the level of \$40. There were also some principles for KGs to follow under the Scheme for the regulation of other charges. The situation described by Mr CHU was hence unlikely to happen.

Calculation basis of the one-off start-up grant

16. Mr CHAN Chi-chuen was concerned that as the one-off start-up grant would be provided on a school basis, a school sponsoring group with multiple KGs might obtain a larger amount of grant than a standalone KG and the disparity of resources among KGs would then worsen. Mr LEUNG Kwok-hung expressed similar views.

17. US(Ed) said that, as the Administration understood it, standalone KGs might not necessarily have fewer resources than KGs operating as a conglomerate. The one-off start-up grant also had nothing to do with the resources of school sponsoring bodies as it was to be disbursed to individual KGs. The Administration would ask KGs to spend all their grants on preparing for the migration to the new scheme.

18. Dr KWOK Ka-ki was concerned that individual KGs might not be able to use the one-off start-up grant wisely. He suggested that, in addition to the provision of grant, the Administration should increase the support given to individual KGs. US(Ed) stressed that the circumstances facing KGs might vary. The Administration took note of members' views and would consider providing professional support to individual KGs according to their needs.

Monitoring the use of the one-off start-up grant

19. Dr KWOK Ka-ki and Mr CHAN Chi-chuen noted that while Scheme-KGs would be accountable for their procurement/employment/competitive bidding arrangements as well as the proper and prudent use of public funds, the Administration would draw up guidelines on procurement/employment/competitive bidding and the submission of audited accounts to regulate the use of grant. The KGs concerned would have to submit their audited accounts for the Administration's review. Dr KWOK and Mr CHAN were concerned whether such KGs could make the aforesaid changes all by themselves for compliance with the Administration's requirements and whether the Administration could impose effective supervision.

20. US(Ed) and Deputy Secretary for Education (3) ("DS(Ed)3") said that KGs were experienced in handling the aforesaid task, only that they might have to change their modes of operation by referring to the requirements of the Administration. The Administration would provide timely guidance when necessary and review the reports from KGs to ensure compliance.

21. Referring to the paper, Mr CHAN Chi-chuen pointed out that Scheme-KGs were required to comply with EDB's guidelines and might supplement these with additional procurement/employment/competitive bidding procedures having regard to their individual circumstances as necessary. He asked the Administration to clarify the meaning of "supplement".

22. DS(Ed)3 said that in the context of the paper mentioned by Mr CHAN, the word "supplement" meant that KGs might, having regard to their individual circumstances and at their own discretion, adjust the procurement/employment/competitive bidding procedures (such as establishing a computerized system) subject to EDB's guidelines.

Questions relating to the Scheme

Support for EMs

23. Mr SHIU Ka-chun asked the Administration what measures would be taken under the Scheme to address the needs of different KGs, particularly those with EM students.

24. Dr Fernando CHEUNG said that KGs serving EMs had an extra but constant need for translating teaching materials and school information. He urged the Administration to provide additional support to these KGs.

25. US(Ed) advised that the Administration would, under the Scheme, provide support to KGs according to their different needs. For example, KGs with eight or more non-Chinese speaking students would be given additional subsidies. The Administration would maintain its communication with the relevant stakeholders (including school sponsoring bodies) and step up its support when necessary. However, these funding initiatives were not directly related to this item.

26. Ms Claudia MO urged the Administration to improve teacher training for KGs with EM students. US(Ed) said that this issue was not related to the one-off start-up grant but the aforesaid KGs might, having regard to their circumstances, make use of the grant to hire translation services.

Tide-over grant

27. Mr IP Kin-yuen noted that in addition to the one-off start-up grant under this item, the Administration would provide Scheme-KGs with a one-off tide-over grant for two years on the basis of teachers' qualifications. He was worried that if such tide-over grant could not fully cover the salaries and allowances of additional teachers to be employed under the Scheme, some Scheme-KGs might be forced to withdraw from the Scheme. He therefore suggested that the Government should consider allowing KGs to transfer the balance of their one-off start-up grant to the account for paying the aforesaid expenses upon the expiry of the grant period.

28. US(Ed) advised that the tide-over grant and the grant under this item were for different purposes and were unrelated. Upon the expiry of the tide-over grant period, i.e. two years later, the Administration would conduct a review on the use of such grant and follow up accordingly.

Maintaining the features of individual KGs

29. Mr WU Chi-wai asked how the Administration would ensure that individual KGs maintained their own educational features in its review and updating of the Guide to the Pre-primary Curriculum ("the Guide").

30. US(Ed) advised that while the Guide was aimed at providing general directions for KGs' reference in their teaching, KGs had the discretion to formulate their own curricula within the framework set in the Guide. The Administration would respect such discretion.

Retention of KG teachers

31. Mr WU Chi-wai was concerned about the high turnover rate of KG teachers and asked the Administration about its retention measures. The Chairman, though saying that Mr WU's question was not directly related to this item, invited the Administration to respond to the question.

32. US(Ed) advised that in order to retain and attract talents, the Administration would, apart from improving the salaries of KG teachers, develop a clear career ladder to create a more stable working environment.

Concerns over the effectiveness of the Scheme in alleviating the financial burden on parents

33. Mr Nathan LAW requested the Administration to provide a breakdown of additional KG funding under the Scheme by purpose, i.e. enhancing teaching quality and alleviating the financial burden on parents. The Chairman, though saying that Mr LAW's question was not directly related to this item, invited the Administration to respond to the question.

34. US(Ed) advised that the additional funding provided under the Scheme could enhance teaching quality and alleviate the financial burden on parents but the Administration had not set out the proportion of funds for these two purposes.

Operation of KGs failing to join the Scheme

35. Mr Alvin YEUNG enquired whether there were any KGs raising their school fees substantially after failing to join the Scheme for they could not meet the teacher-pupil ratio set by the Administration. He urged the Administration to take the initiative to contact those KGs so as to learn about their situation.

36. US(Ed) said that this member's question was not directly related to the item. It was understood that only a small number of KGs joining the Pre-primary Education Voucher Scheme ("PEVS") had decided against joining the Scheme for individual reasons. DS(Ed)3 added that while most of the KGs joining PEVS had joined the Scheme, some had decided not to do so as they might think that the financial arrangement of the Scheme did not fit well with their operation, such as failing to cater their needs for researches.

Whole-day and long whole-day operation

37. Mr Jeremy TAM asked the Administration if it had any policy direction to encourage KGs to turn into whole-day ("WD") or long whole-day ("LWD") operation. He questioned the provision of the one-off start-up grant on a per capita basis for contradicting this policy direction as half-day ("HD") KGs would then receive more grants. The Chairman said that the Administration had already responded to the same question for a few times.

38. US(Ed) stressed that both HD and WD KGs could provide quality education services as long as they had good teachers and curricula. Therefore, from the perspective of education policy, it was not justified for the Administration to put a stronger emphasis on WD and LWD KG education. Nevertheless, in order to respond to the requests of the community and the needs of working parents, the Administration would, where practicable, encourage HD KGs to provide more WD or LWD places. In the view of the Administration, the uses and purposes of the one-off start-up grant had nothing to do with the operation modes of KGs, be it WD/LWD or HD.

Concerns over the operation of Scheme-KGs

39. Mr KWONG Chun-yu recalled a case in which a KG in Tin Shui Wai was forced to close down as the rent in the district had become unaffordable. He enquired how the Administration would ensure that KGs had sufficient resources to operate under the new scheme.

40. US(Ed) advised that under the Scheme, the Administration had substantially increased the recurrent grants and Scheme-KGs should have sufficient resources for their operation. However, such grants had no direct relation to this item.

Meeting arrangement

41. At 6:02 pm, the Chairman said that he had received four motions proposed by members under paragraph 37A of the Finance Committee Procedure ("FCP") ("37A motions") for expressing views on this item. He reminded members that FC would proceed to deal with 37A motions after the close of the questioning session and called on members to raise questions on the item and propose 37A motions as soon as possible.

42. At 6:44 pm, the Chairman said that he received 10 37A motions. He ruled that three of them were not directly related to the item and they were returned to the members concerned. He reminded members again that FC would proceed to deal with 37A motions after the close of the questioning session and once again called on members to raise questions on the item and propose 37A motions as soon as possible.

43. At 6:55 pm, the Chairman declared that after the four members who were awaiting their turn to speak (i.e. Mr CHU Hoi-dick, Ms Claudia MO, Mr LEUNG Kwok-hung and Mr CHAN Chi-chuen) had spoken, FC would proceed to deal with 37A motions.

44. At 7:10 pm, after Mr CHU Hoi-dick, Ms Claudia MO, Mr LEUNG Kwok-hung and Mr CHAN Chi-chuen had spoken, the Chairman declared that the questioning session had come to a close and FC proceeded to deal with 37A motions. Dr KWOK Ka-ki indicated his intention to raise further questions on the item. In response, the Chairman said that as a ruling had already been made, he would not allow Dr KWOK to ask further questions.

37A motions proposed by members

Motions proposed by Mr Nathan LAW

45. The Chairman put to vote the question that the motion proposed by Mr Nathan LAW numbered [0001](#) be proceeded forthwith. At the request of members, the Chairman ordered a division on the proposed motion. The division bell was rung for five minutes.

46. With the agreement of the Chairman, Mr Nathan LAW read out his proposed motion during the ringing of the division bell. The question was negatived.

Motion moved by Ms Starry LEE under FCP 47

47. Ms Starry LEE moved without notice a motion under FCP 47 that in the event of further divisions being claimed in respect of any motions or questions under the same agenda item, FC should proceed to each of such divisions immediately after the division bell had been rung for one minute. The Chairman proposed the question on Ms Starry LEE's motion.

48. In response to the enquiry of Mr CHAN Chi-chuen, the Chairman said that he would not extend this meeting by 15 minutes.

49. There being no further request to speak, the Chairman put the motion to vote. The Chairman declared that the motion was carried.

Continuation to deal with Mr Nathan LAW's motions

50. The Chairman put to vote the questions, one by one, that the motions proposed by Mr Nathan LAW numbered [0002](#) and [0003](#) be proceeded forthwith. At the request of members, the Chairman ordered a division. The division bell was rung for one minute.

51. With the agreement of the Chairman, Mr Nathan LAW read out his proposed motions one by one during the ringing of the division bell. The questions were negatived.

Motion proposed by Dr YIU Chung-yim

52. As Dr YIU Chung-yim was not present, the Chairman decided that his motion numbered 0004 would not be dealt with.

Motions proposed by Ms Claudia MO

53. The Chairman put to vote the question that the motion proposed by Ms Claudia MO numbered [0005](#) be proceeded forthwith. At the request of members, the Chairman ordered a division. The division bell was rung for one minute.

54. With the agreement of the Chairman, Ms Claudia MO read out her proposed motion during the ringing of the division bell. The question was negatived.

55. The Chairman then put to vote the question that the motion proposed by Ms Claudia MO numbered [0006](#) be proceeded forthwith. The Chairman declared that the question was negated.

Motion proposed by Mr CHU Hoi-dick

56. The Chairman put to vote the question that the motion proposed by Mr CHU Hoi-dick numbered [0020](#) be proceeded forthwith. The Chairman declared that the question was negated.

Motions proposed by Dr Fernando CHEUNG

57. The Chairman put to vote the question that the motion proposed by Dr Fernando CHEUNG numbered [0021](#) be proceeded forthwith. The Chairman declared that the question was negated.

Motions proposed by Dr LAU Siu-lai

58. The Chairman put to vote the questions, one by one, that the motions proposed by Dr LAU Siu-lai numbered [0017](#) and [0018](#) be proceeded forthwith. The Chairman declared that the questions were negated.

Motion proposed by Mr Jeremy TAM

59. The Chairman put to vote the question that the motion proposed by Mr Jeremy TAM numbered [0019](#) be proceeded forthwith. The Chairman declared that the question was negated.

Motion proposed by Ms Tanya CHAN

60. The Chairman put to vote the question that the motion proposed by Ms Tanya CHAN numbered [0022](#) be proceeded forthwith. The Chairman declared that the question was negated.

Continuation to deal with Dr Fernando CHEUNG's motions

61. The Chairman put to vote the question that the motion proposed by Dr Fernando CHEUNG numbered [0023](#) be proceeded forthwith. The Chairman declared that the question was negated.

Voting on the item

62. There being no further question from members, the Chairman thereupon put the item FCR(2016-17)77 to vote. The Chairman declared that the item was approved.

63. At 7:34 pm, the Chairman declared that the meeting be adjourned. The meeting ended at 7:34 pm.

Legislative Council Secretariat
13 June 2017