



中華人民共和國香港特別行政區政府總部教育局
Education Bureau
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7 March 2018

Clerk to Finance Committee
Legislative Council
Legislative Council Complex
1 Legislative Council Road
Central, Hong Kong
(Attn.: Ms Anita Sit)

Dear Ms Sit,

**Follow-up to
Meeting of the Legislative Council Finance Committee
held on 19 January 2018**

In response to Members' request for supplementary information related to the discussion on injection into the Research Endowment Fund (REF) at the meeting of the Finance Committee held on 19 January 2018, our response is set out in the ensuing paragraphs for Members' reference.

Funding allocation of Earmarked Research Grants supported by the REF

The REF was established in 2009. The investment income of \$16 billion endowment of the REF is to support Earmarked Research Grants (ERG), including funding schemes such as General Research Fund (GRF). Currently, REF invests through placements with the Hong Kong Monetary Authority. The investment return of the REF dropped significantly from 6.8% in 2009 to 2.8% in 2017. Against such background, the Research Grants Council (RGC) agreed at its December 2016 meeting that, from 2018/19 funding exercise, the approved projects under GRF and Early Career Scheme (ECS) would be provided with 90% of the funding required only. The remaining 10% would be provided by universities on a voluntary matching basis. Other funding schemes would not be affected. The University Grants Committee (UGC) consulted the Heads of the eight UGC-funded universities and they agreed to implement the temporary saving measure.

Upon learning about the above temporary measure, this Bureau wrote to the UGC Chairman and reaffirmed the Government's commitment to support university research. We also reiterated that RGC may utilise part of the capital of REF as an interim measure. Afterwards, the UGC and RGC indicated that the provision of 90% funding to the two individual research funding schemes is only a temporary measure to be launched in mid-2018. RGC will, at its upcoming meeting in June 2018, review the latest return rate and consider whether the temporary measure should be continued. Besides, the Task Force on Review of Research Policy and Funding led by Prof Tsui Lap-chee will complete the review report later this year. Subsequent to the completion of the review, the UGC and RGC will consider the future plan holistically, including the overall level of research funding.

On the other hand, the UGC will deploy an extra \$150 million from the Central Allocation Vote for the new Research Impact Fund in 2018/19 to support more impactful or translational research projects. In May 2018, the UGC will also consider increasing the spending on Areas of Excellence Scheme projects from \$90 million per year to \$100 million per year. In this connection, we anticipate that the total amount of research funding from UGC/RGC in 2018/19 will not decrease.

Admission of Master of Philosophy students by The City University of Hong Kong

According to the information provided by City University of Hong Kong, the number of intakes of local student admitted to Master of Philosophy (MPhil) and Doctor of Philosophy (PhD) programmes in the 2016/17 academic year is tabulated as follows –

| Study level | No. of applications from local students* | UGC-funded programmes (intake of local students)^ | Non UGC-funded programmes (intake of local students)^ |
|--------------------|---|--|--|
| MPhil | 23 | 0 | 1 |
| PhD | 88 | 28 | 7 |

* as of 31 August 2016

^ as of 31 October 2016

Allocation of hostel places to local research postgraduate students

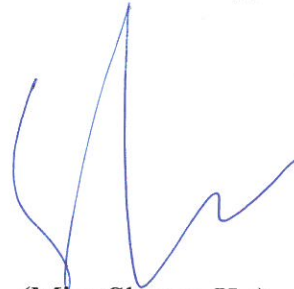
The eight UGC-funded universities have respectively put in place a mechanism to allocate hostel places and would cater for the needs of different students as far as possible. According to the information provided by the universities, a total of 362 applications by local research postgraduate (RPg) students for student hostel places were received in 2017/18 academic year. Among these applications, a total of 242 students have been allocated with hostel places.

Other supplementary statistics

According to the Graduate Employment Survey conducted annually by the UGC-funded universities, the employment situation of responded non-local graduates of UGC-funded full-time RPg programmes for the 2011/12 to 2015/16 academic years is at Annex I.

Student enrolment of UGC-funded full-time PhD programmes by university from the 2012/13 to 2016/17 academic years is at Annex II.

Yours sincerely,

A handwritten signature in blue ink, appearing to be 'Sharon Ko', written in a cursive style.

(Miss Sharon Ko)
for Secretary for Education

c.c. Secretary-General, University Grants Committee
(Attn.: Mr David Leung) w/encl.

Employment situation of responded non-local graduates of UGC-funded full-time RPg programmes to the Graduate Employment Survey of UGC-funded universities

| Academic Year | Total number of non-local graduates | No. of non-local graduates responded to the survey | No. of responded non-local graduates | | | | | | | |
|---------------|-------------------------------------|--|---|--|----------------------------|----------------------------------|-------------|----------------|---|--------------------------------------|
| | | | Full-time employment with usual working location in Hong Kong | Full-time employment with usual working location outside Hong Kong or not specified* | Further study in Hong Kong | Further study outside Hong Kong* | Un-employed | Under-employed | Emigrated / Returned to their place of origin | Others (e.g. not seeking employment) |
| 2011/12 | 1 186 | 758 | 285 | 195 | 58 | 30 | 17 | 17 | 145 | 11 |
| 2012/13 | 1 260 | 767 | 141 | 327 | 64 | 20 | 23 | 17 | 164 | 11 |
| 2013/14 | 1 366 | 961 | 305 | 273 | 86 | 34 | 22 | 29 | 186 | 26 |
| 2014/15 | 1 457 | 1 019 | 379 | 252 | 76 | 34 | 42 | 33 | 181 | 22 |
| 2015/16 | 1 532 | 1 112 | 362 | 223 | 94 | 41 | 32 | 31 | 315 | 14 |

* Excluding non-local graduates who returned to their place of origin (for work/study purpose).

Student enrolment of UGC-funded full-time PhD programmes by university from the 2012/13 to 2016/17 academic years

| University | 2012/13 | 2013/14 | 2014/15 | 2015/16 | 2016/17 |
|--|----------------|----------------|----------------|----------------|----------------|
| City University of Hong Kong | 677 | 663 | 739 | 806 | 925 |
| Baptist University | 193 | 221 | 239 | 245 | 239 |
| Lingnan University | 20 | 26 | 33 | 37 | 36 |
| The Chinese University of Hong Kong | 1 356 | 1 373 | 1 456 | 1 590 | 1 613 |
| The Education University of Hong Kong | 32 | 31 | 23 | 29 | 49 |
| The Hong Kong Polytechnic University | 517 | 574 | 599 | 632 | 639 |
| The Hong Kong University of Science and Technology | 928 | 1 014 | 1 002 | 1 046 | 1 073 |
| The University of Hong Kong | 1 685 | 1 710 | 1 734 | 1 756 | 1 706 |
| Total | 5 408 | 5 612 | 5 825 | 6 141 | 6 281 |

Note: If the RPg students are financed by universities using both UGC and external funds, they will be counted towards different sources on a pro-rata basis. In the circumstances, the numbers of RPg students are in decimal places which are all rounded to integers in this table. Hence, figures may not add up to the corresponding totals due to rounding.