

**立法會**  
**Legislative Council**

LC Paper No. CB(2) 2558/99-00  
(These minutes have been seen by  
the Administration and cleared  
with the Chairman)

Ref : CB2/PL/ED

**LegCo Panel on Education**

**Minutes of Meeting**  
**held on Monday, 19 June 2000 at 4:30 pm**  
**in Conference Room A of the Legislative Council Building**

- Members Present** : Hon YEUNG Yiu-chung (Chairman)  
Prof Hon NG Ching-fai (Deputy Chairman)  
Hon CHEUNG Man-kwong  
Hon LEUNG Yiu-chung  
Dr Hon YEUNG Sum  
Hon Emily LAU Wai-hing, JP  
Hon CHOY So-yuk  
Hon Andrew CHENG Kar-foo  
Hon SZETO Wah
- Members Absent** : Hon Cyd HO Sau-lan  
Hon Mrs Selina CHOW LIANG Shuk-ye, JP  
Hon SIN Chung-kai  
Hon Andrew WONG Wang-fat, JP  
Hon Jasper TSANG Yok-sing, JP
- Public Officers Attending** : Agenda item III  
Ms Michelle LI  
Principal Assistant Secretary for Education and Manpower  
  
Mr Jack CHAN  
Deputy Secretary General  
University Grants Committee

Agenda item IV

Ms Michelle LI  
Principal Assistant Secretary for Education and Manpower

Mr J D WILLIS  
Controller  
Student Financial Assistance Agency

Agenda item V

Mr Joseph LAI  
Deputy Secretary for Education and Manpower

Mr Anthony K H TONG  
Deputy Director of Education

Mr Joseph SHIN  
Acting Principal Education Officer (Curriculum Development  
Institute)

Mr H W CHAN  
Principal Curriculum Development Officer (Technology  
Education)

Agenda item VI

Mr Joseph LAI  
Deputy Secretary for Education and Manpower

Mr Anthony K H TONG  
Deputy Director of Education

Mr M Y CHENG  
Assistant Director of Education (Schools)

Mrs Rosita CHENG  
Senior Treasury Accountant (Management Services)

**Clerk in Attendance** : Mr LAW Wing-lok  
Chief Assistant Secretary (2) 5

**Staff in Attendance** : Mr Stanley MA  
Senior Assistant Secretary (2) 6

**I Confirmation of minutes of meeting and matters arising**

[LC Paper Nos. CB(2) 2360/99-00]

[Appendices I and II to LC Paper No. CB(2) 2363/99-00]

The minutes of the special meeting held on 25 April 2000 were confirmed.

**II Information paper issued since last meeting**

[LC Paper Nos. CB(2) 2273/99-00(01)]

2. Members noted that the paper containing supplementary information on School Management Committees for primary and secondary schools had been forwarded to members on 9 June 2000.

**III Differential fees in University Grants Committee (UGC) - funded tertiary education institutions**

[LegCo Brief - EMBCR 5/1716/46 Pt. 19]

3. The Chairman referred to the LegCo Brief circulated to members prior to the meeting and said that the Administration had considered the UGC's advice and decided that the proposal to introduce a differential fee system by broad programme categories should not be pursued at this stage.

4. Dr YEUNG Sum enquired about the policy on the cost recovery rate of tuition fees for UGC-funded institutions and asked whether the newspaper reports on the alleged overcharging of tertiary students in tuition fees over the past two years as a result of deflation was a fact.

5. Principal Assistant Secretary for Education and Manpower (PAS/EM) said that the tuition fee levels for UGC-funded institutions should be set at levels to recover 18% of the average student unit cost. However, in line with the Government's decision to freeze fees and charges as an exceptional relief measure at a time of economic adjustment, the tuition fees for the UGC-funded institutions for 1998/99 and 1999/2000 had been frozen at the 1997/98 level (i.e., \$42,100 and \$31,575 for degree and sub-degree programmes) and would continue to be frozen for 2000/01 at the current level. As a result of the freeze, the cost recovery rate of the tuition fees would be around 17.3% of the average student unit cost based on the level of grants to the institutions for 2000/01. She pointed out that the calculation had taken into account the institutions' committed 10% average student unit cost reduction to be achieved by the end of the current 1998/99 to 2000/01 triennium, with half of the savings being ploughed back to the UGC for reallocation. She added that arising from the decision to freeze tuition fee

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levels since 1997/98, the actual tuition fee levels and income were lower than the indicative levels which formed the basis of the calculation of the triennial funding.

6. Mr CHEUNG Man-kwong said that undergraduates enrolled in the year of 1998/99 would be overcharged by \$240, \$960 and \$2,220 in the 1998/99, 1999/00 and 2000/01 academic years respectively. He asked whether the Administration would refund overcharged tuition fees to students. He held the view that students who had paid the tuition fees by way of a loan should be refunded with the fees overcharged.

7. In response, PAS/EM said that the cost recovery rates in the three academic years concerned varied according to the annual income and expenditure of the individual UGC-funded institutions and that the actual recovery rate of the 1999/00 year had yet to be confirmed. She clarified that while Government did not have a policy for refund of overcharged tuition fees, the recurrent funding for the UGC-funded institutions was determined on a deficiency grant basis after deducting from the estimated gross expenditure an assumed income from tuition fees and from other sources. The assumed tuition fee income was an estimate which had to be reconciled when the actual fee levels were known. This meant that if the actual fee levels subsequently approved by the Administration for a certain academic year were lower than those assumed in determining the recurrent grant, Government would normally provide additional funds to meet the shortfall. On the contrary, If there was a surplus income as a result of the actual tuition fee level being higher than that assumed, the excess in recurrent grant would be clawed back by Government. She added that as a result of the freeze of tuition fees, the Government had already provided the UGC-funded institutions an additional grant of \$129.5 million in the 1998/99 academic year.

8. Ms Emily LAU asked whether the quality of tertiary education had declined as a consequence of the freeze of tuition fees and the 10% saving in terms of average student unit costs.

9. PAS/EM said that the annual expenditure of UGC-funded institutions would fluctuate as a result of capital expenses and inflation, etc. She considered that a slight variation in the cost recovery rate of tuition fees should have no effect on the quality of education.

10. Prof NG Ching-fai declared interest as an academic staff member of the Hong Kong Baptist University. He shared the view that the quality of university education as a whole would not be jeopardized by the freeze in tuition fees and targeted 10% reduction of annual expenditure. He said that the question of overcharge should be considered on a triennium basis and that any identified savings in annual expenditure should be put to the reserves of the UGC-funded institutions concerned.

11. The Chairman suggested that the Administration should follow up on the alleged overcharge of tuition fees and brief the Panel in the new legislative term.

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12. Ms Emily LAU asked whether the Administration would reconsider the proposal to introduce a differential fee system in the future. She also requested that a copy of the research report conducted by the UGC on international practices on the charging of tertiary tuition fees should be made available in the LegCo Council library.

13. PAS/EM responded that according to the UGC's research findings, the United States, Japan, Australia and the Mainland were adopting different differential fee systems. She added that the Administration had decided not to proceed with differential fee system at this stage, but had not ruled out the possibility to reconsider the subject matter in the light of changing circumstances and international developments in the future. She undertook to follow up on Ms Emily LAU's request.

Adm

14. In response, Dr YEUNG Sum said that the policy on university tuition fees should match the needs of the students first. He pointed out that the differential fee system might create financial difficulties to students who intended to enroll in laboratory-based disciplines which involved higher costs.

#### **IV Further expansion of the Non-means-tested Loan Scheme**

[LC Paper No. CB(2) 2363/99-00(01)]

15. At the Chairman's invitation, Controller, Student Financial Assistance Agency (CSFAA) briefed members on the Administration's paper on the subject.

16. Mr CHEUNG Man-kwong said that the current interest rate of 8.25% for the Non-means-tested Loan Scheme (NLS) was too high for the needy students and not in line with the policy to encourage lifelong learning among the community. He urged the Administration to review the prevailing NLS interest rate which included a 1.5% risk-adjusted factor. Prof NG Ching-fai shared Mr CHEUNG's view.

17. PAS/EM said that the NLS was established to supplement the means-tested Local Student Finance Scheme which provided financial assistance to eligible full-time tertiary students in the form of grants and loans for their tuition fees, academic expenses and/or living expenses during the academic year. In essence, NLS provided needy students pursuing tertiary education on a part-time basis with loans at a reasonable interest rate. She pointed out that the majority of these part-time students were full-time jobholders and might apply for loans under the NLS to improve their cash flow situation on a temporary or short-term basis. She added that the Administration would periodically review the risk-adjusted factor in the light of changing circumstances.

18. Ms Emily LAU enquired about feedback from users of the NLS on the prevailing interest rate.

19. PAS/EM responded that views on the current interest rate of 8.25% per annum were diverse. She pointed out that the interest rates of similar loans offered by banks

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were in the range of 10% to 16% per annum. CSFAA added that the risk-adjusted factor would be reviewed in the light of the actual default rate as soon as practicable.

20. Dr YEUNG Sum said that according to a student survey, the respondents had indicated that the current interest rate of NLS should be adjusted downward and that the maximum repayment period of NLS be extended to alleviate the financial burden of students.

Adm

21. In summing up, the Chairman said that members in general supported the proposal to widen the ambit of the NLS to cover continuing and professional education courses provided by approved institutions. He urged the Administration to review the risk-adjusted factor and the repayment period of NLS in the light of members' comments.

**V Information Technology Education in Hong Kong**  
[LC Paper No. CB(2) 2363/99-00(02)]

22. Mr CHEUNG Man-kwong enquired whether the Administration had set a target date for each needy family to be provided with a computer through public funds. He considered that students with a computer at home could learn at a considerably faster pace than those following the teaching and learning activities in schools.

23. In response, Deputy Director of Education (DDE) said that the provision of all needy families with a computer would entail substantial capital and recurrent costs. He pointed out that assuming a total of 100 000 families were in need of a computer at a cost of \$8,000, the total capital costs for the purchase of computers alone would be \$800 million. He added that the maintenance and control of these government-provided computers would give rise to administrative problems, substantial recurrent expenditure as well as a long-term commitment for replacement as hardware became out-of-date.

24. DS/EM said that the Administration had set aside funds for the installation of about 1 000 computers in some 100 youth centres for use by students, including access to the Internet. Some public libraries also had computer facilities. Besides, additional resources had been allocated for schools to extend the opening hours of their computer and multi-media learning centres.

25. Mr SZETO Wah urged the Administration to continuously monitor the provision of sufficient computer workstations in public libraries and community centres. He considered that a total of 1000 computers were inadequate to meet the needs of students in learning computer operations and exploring the Internet facilities.

26. DDE responded that the ED would monitor the situation to ensure cost-effective utilisation of computer resources and provide a progress report in due course.

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27. Mr LEUNG Yiu-chung enquired whether the Administration had planned to provide computer studies courses in secondary four and secondary five. He suggested that the Administration should increase the number of sessions on computer studies by reducing the number of sessions on other subjects in the school curricula.

28. Principal Curriculum Development Officer (Technology Education) (PCDO(TE)) responded that the Curriculum Development Council (CDC) was now conducting a holistic review of the primary and secondary school curricula and was in the process of formulating an open and flexible curriculum framework. The new curricula would take into account the changes in the needs of the students and the curriculum framework would allow schools to develop school-based curricula. He further said that the new curriculum framework would be expected to be available in November 2000 for public consultation.

29. Ms Emily LAU enquired about the benefits of the implementation of module-based computer education in schools.

30. PCDO(TE) explained that by separating the various IT-related subjects into modules, the scope of each module would be more focussed and could be reviewed more quickly. The frequency of updating individual modules would depend on the nature of each module. He added that the CDC's plan was to start launching the modular approach in the 2001/02 school year.

**VI Revision of fees and charges on hiring of accommodation and equipment of Government schools**

[LC Paper No. CB(2) 2363/99-00(03)]

31. At the invitation of the Chairman, DDE briefed members on the salient points of the Administration's paper on the subject.

32. Mr SZETO Wah enquired about the policy on collection of fees and charges on hiring of certain accommodation and equipment in Government schools.

33. Assistant Director of Education (Schools) (ADE(S)) responded that organizations hiring accommodation and equipment in Government schools were charged on a full-cost recovery basis, which included the staff costs, electricity charges and cleansing expenses. However, charitable bodies and non-profit making organizations were charged at a reduced rate which amounted to 50% of the standard rate. The hiring charges for non-profit-making uniformed groups such as the Hong Kong Red Cross were waived.

34. The Chairman asked how government and aided schools would collect the fees and charges from organizations which hired the school's accommodation and equipment.

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35. ADE(S) said that schools were given the discretion to decide whether the appropriate fees and charges would be collected from the charitable bodies and non-profit-making organizations hiring the school facilities.

36. Prof NG Ching-fai and Ms Emily LAU said that the Administration should encourage community groups and organizations to hire accommodation and equipment in Government schools.

37. ADE(S) responded that the ED welcomed the use of school facilities by community groups and organizations. He pointed out that in line with the spirit of school-based management, schools should decide on their own whether to entertain requests from local communities for hiring of accommodation and equipment on a case-by-case basis.

38. In response to Ms Emily LAU, DS/EM said that ED would encourage schools to adopt a more liberal approach in considering applications from local community and non-profit-making organizations for the hiring of accommodation and equipment in Government schools.

39. Members raised no objections to the proposed revision of fees and charges for hiring accommodation and equipment in Government schools as detailed in Annex B of the Administration's paper.

**VII Any other business**

40. As this was the last meeting of the current term, the Chairman thanked members and the Administration for their invaluable contributions to the discussions at meetings of the Panel.

41. There being no other business, the meeting ended at 6:05 pm.

Legislative Council Secretariat

24 August 2000