



Education expenditure in Hong Kong

Figure 1 — Average annual growth of public expenditure by policy area, FY2006-2007 to FY2015-2016

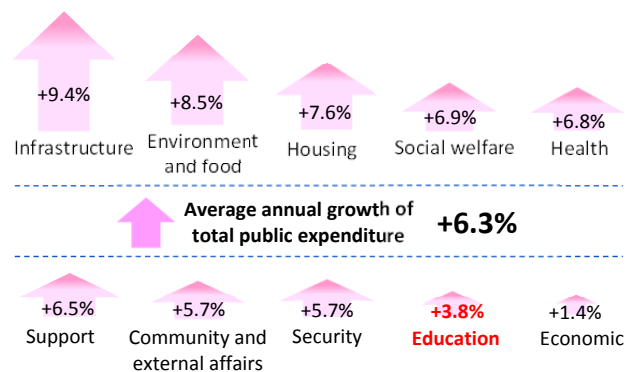


Figure 2 — Annual school fee of kindergartens

Average annual school fee (HK\$)	2011-2012	2015-2016	Average annual rate of change
Half-day classes			
- KGs ⁽¹⁾ under PEVS ⁽²⁾	19,500 ⁽³⁾	26,200 ⁽³⁾	+7.7% ⁽⁴⁾
- Private independent KGs	40,300	52,700	+6.9% ⁽⁴⁾
- Non-profit-making KGs not under PEVS	37,900	34,100	-2.6%
Whole-day classes			
- KGs under PEVS	31,500 ⁽³⁾	41,200 ⁽³⁾	+6.9% ⁽⁴⁾
- Private independent KGs	54,700	66,900	+5.2% ⁽⁴⁾
- Non-profit-making KGs not under PEVS ⁽⁵⁾	82,000	87,600	+1.7%

- Notes: (1) KGs refers to kindergartens.
 (2) PEVS refers to Pre-primary Education Voucher Scheme.
 (3) The school fees are covered by subsidy provided under PEVS, and payments by parents if necessary.
 (4) The average annual rate of increase is higher than that of the Composite Consumer Price Index (4.0%).
 (5) Whole-day classes are mainly offered by international KGs which charge a relatively higher school fee than local KGs.

Figure 3 — Annual school fee of Direct Subsidy Scheme schools

Average annual school fee (HK\$)	2011-2012	2015-2016	Average annual rate of change
- Primary school	22,901	25,073	+2.3%
- Secondary 1 to 3	16,530	19,570	+4.3% ⁽²⁾
- Secondary 4 to 7 ⁽¹⁾	19,490	22,361	+3.5%

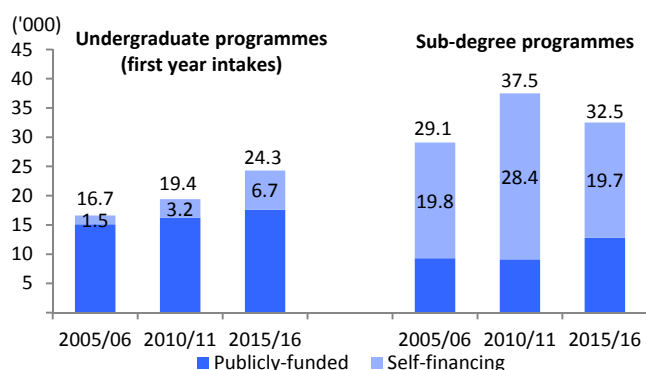
- Notes: (1) The Secondary 7 level has been phased out since the 2012-2013 academic year.
 (2) The average annual rate of increase is higher than that of the Composite Consumer Price Index (4.0%).

Highlights

- Education is an investment in human capital that can lead to higher economic growth. However, the average annual growth of public education expenditure between FY2006-2007 and FY2015-2016 was only 3.8%, much lower than that of total public expenditure of 6.3%. The growth rate was also the second lowest among all policy areas (Figure 1). Meanwhile, the average annual growth of private consumption expenditure on education services (5.5%) outpaced that of public education expenditure (3.1%) during 2005-2014.
- On pre-primary education, the percentage of students studying in kindergartens ("KGs") under the Pre-primary Education Voucher Scheme ("PEVS") decreased from 82% in 2011-2012 (all the years specified below refer to academic year) to 75% in 2015-2016. About 89% of these students still had to pay school fees on top of the subsidy provided under PEVS in 2015-2016. The average annual school fees paid by these students were about HK\$4,900 and HK\$18,700 for half-day and whole-day classes respectively.
- For students studying in KGs not under PEVS, the average annual school fee paid ranged from HK\$34,100 to HK\$87,600 in 2015-2016. Between 2011-2012 and 2015-2016, the annual rates of increase in average annual school fee for private independent KGs (5.2% to 6.9%) and KGs under PEVS (6.9% to 7.7%) were higher than that of the Composite Consumer Price Index ("CPI") (4.0%) (Figure 2).
- On primary and secondary education, the percentage of students enrolled in schools collecting school fees (i.e. Direct Subsidy Scheme ("DSS") schools, private schools and international schools) increased from 16.7% to 19.5% between 2011-2012 and 2015-2016. In 2015-2016, about 46% of these students were attending DSS schools which charged an average annual school fee ranging from some HK\$20,000 for secondary students to HK\$25,073 for primary students. The annual rate of increase in average annual school fee for DSS schools at junior secondary levels between 2011-2012 and 2015-2016 was slightly higher than that of the Composite CPI while the rates of increase for primary and senior secondary levels were lower than that of the Composite CPI (Figure 3).

Education expenditure in Hong Kong (cont'd)

Figure 4 — Student intakes of full-time post-secondary programmes⁽¹⁾



Note: (1) The figures include intakes of non-local students which account for a minority of the total intakes.

Figure 5 — Annual tuition fee of full-time post-secondary programmes

Annual tuition fee (HK\$)	2011/12	2015/16
Undergraduate programmes		
Publicly-funded ⁽¹⁾	42,100	42,100
Self-financing ⁽²⁾	43,110 - 85,870	58,800 - 94,000
Sub-degree programmes		
Publicly-funded	15,040 - 31,575	15,040 - 31,575
Self-financing	31,800 - 59,000	40,000 - 76,250

Note: (1) Tuition fees charged are the same across different programmes.
 (2) Tuition fees vary greatly among institutions and programmes. The figures refer to the fees charged for Bachelor of Arts programmes.

Figure 6 — Financial assistance provided to post-secondary students in the 2015-2016 academic year

Financial assistance schemes for full-time programmes	Number of students	Average loan disbursed (HK\$)
Means-tested schemes⁽¹⁾		
- Publicly-funded programmes	6 623	32,940
- Self-financing programmes	5 081	35,446
Non-means-tested schemes⁽²⁾		
- Publicly-funded programmes	10 974	38,749
- Self-financing programmes	13 307	59,528

Notes: (1) Under the means-tested schemes, students are provided with grant to cover their tuition fees and loan to cover their living expenses.
 (2) Under the non-means-tested schemes, loan is provided to cover the tuition fees of the students.

Highlights

- On tertiary education, the percentage of local students admitted to publicly-funded undergraduate programmes through the Joint University Programmes Admissions System among those who met the general entrance requirements decreased from 51% in 2012-2013 to 47.8% in 2015-2016. Many secondary school graduates, albeit having met the general entrance requirements for publicly-funded undergraduate programmes, could not be admitted to such programmes, and have to take up self-financing tertiary programmes, including undergraduate and sub-degree programmes (**Figure 4**).
- Students taking up self-financing tertiary programmes have to bear a higher tuition fee when compared to those taking up publicly-funded programmes. For example, students taking up self-financing Bachelor of Arts programmes may have to pay up to double the tuition fee of publicly-funded programmes (**Figure 5**). Similarly, self-financing sub-degree programmes are charged at a higher fee than publicly-funded programmes. For example, the Vocational Training Council, which accounts for about 18% of the student enrolment of self-financing sub-degree programmes, charges about 70% higher on self-financing sub-degree programmes compared to publicly-funded programmes.
- The heavier financial burden of students taking up self-financing tertiary programmes is further reflected by the observation that the average loan amount disbursed to them under the non-means-tested financial assistance scheme was 54% higher than that of students taking up publicly-funded programmes in 2015-2016 (**Figure 6**).

Data sources: Latest figures from Census and Statistics Department, Concourse for Self-financing Post-Secondary Education, Education Bureau, University Grants Committee and Working Family and Student Financial Assistance Agency.

Research Office
 Information Services Division
 Legislative Council Secretariat
 25 November 2016
 Tel: 2871 2143

Statistical Highlights are compiled for Members and Committees of the Legislative Council. They are not legal or other professional advice and shall not be relied on as such. Statistical Highlights are subject to copyright owned by The Legislative Council Commission (The Commission). The Commission permits accurate reproduction of Statistical Highlights for non-commercial use in a manner not adversely affecting the Legislative Council, provided that acknowledgement is made stating the Research Office of the Legislative Council Secretariat as the source and one copy of the reproduction is sent to the Legislative Council Library. The paper number of this issue of Statistical Highlights is ISSH11/16-17.