14.1 At the invitation of the Chairman, Professor Arthur LI, Secretary for Education and Manpower (SEM), briefed members on the Government's expenditure on education and manpower, and the main areas of increased provision in the coming financial year (Appendix V-12).

Prevention of the spread of Severe Acute Respiratory Syndrome in schools

14.2 Ms Emily LAU enquired about the resources allocated for the purpose of controlling the spread of Severe Acute Respiratory Syndrome (SARS) in schools, and whether the resource requirements would be included in the proposed commitment of \$200 million for which the approval of the Finance Committee would be sought. She urged the Government to provide schools with the necessary financial support. In response, SEM said that the resource requirements were yet to be ascertained. However, he assured members that the Administration would see to it that every measure would be taken to ensure the safety of students.

14.3 In reply to Ms Emily LAU's enquiry about the availability of guidelines on precautionary measures against SARS to schools, SEM reported that guidelines had already been issued to schools on the cleansing and disinfection of school premises on a daily basis. In this connection, Mr LEE Cheuk-yan pointed out that cleansing guidelines and protective gear should be provided to janitors so as to protect their safety in the course of work. SEM confirmed that as he understood, schools had provided masks to janitors and instructed them on cleansing school premises more frequently with the use of diluted bleach.

14.4 In this connection, Ms Emily LAU called upon the Education and Manpower Bureau (EMB) to announce a general closure of schools to allay the anxiety of the community, instead of relying on individual school principals to decide whether or not to suspend classes. Mr Andrew CHENG shared her view and considered it unfair to hold school principals accountable for such a difficult decision. He was also concerned about the high risk inherent in EMB's present arrangement of allowing schools to continue class at their discretion, having regard that school insurance at present might not cover SARS incidents. He cautioned that if a student contracted the disease in school and suffered permanent impairment, the school concerned and even EMB might become liable for damages.

14.5 SEM noted the concerns of Ms Emily LAU and Mr Andrew CHENG. He nevertheless pointed out that in the case of the Prince of Wales Hospital so far, 40% of the SARS patients had fully recovered after treatment.

On the question of requiring schools to decide whether to suspend classes, SEM opined that in making the decision, the school authority should take into consideration the possible implications, and ensure that all necessary precautionary and follow-up measures would be taken. He stressed that it might not be appropriate to require all schools to suspend classes simply in response to the community's call but without thoroughly sizing up the situation and carefully assessing the pros and cons. SEM also drew members' attention to the following considerations:

- (a) At present, schools were still relatively safe as there was no evidence of the spread of the disease within the school community. Out of a student population of over a million, only eight students had contracted the disease outside their schools.
- (b) Guidelines had been issued to provide for safeguards to contain the spread of SARS. For example, if a case of SARS had been confirmed at a school, the school concerned would be closed for one week.
- (c) In looking after the well-being of students, parents were also in a position to make a decision as to whether or not to allow their children to go to school having regard to their own circumstances.

14.6 SEM reiterated that the Government was monitoring the situation closely and would require all schools to suspend class if needed. He pointed out that at present, there was segregation of those who were in danger of contracting the disease and those with no evidence of being exposed to the disease. Students were therefore under better protection at school than being allowed to be unattended to at home. Where a territory-wide suspension of class was to be implemented, consideration should also be given to addressing the needs of working parents.

14.7 Mr YEUNG Yiu-chung shared SEM's view that the decision to suspend classes should not be taken lightly. Ms Emily LAU and Mr Andrew CHENG however highlighted that in such an unprecedented situation, EMB should provide more guidance to parents and schools. In response, SEM assured members that the development of the SARS outbreak would be closely monitored and the Administration would implement appropriate measures in the light of circumstances. 14.8 Mr LEE Cheuk-yan opined that EMB should play a role in encouraging the medical schools of the two universities to collaborate in their research into the source of infection and the development of diagnostic tests. In reply, SEM assured members that the two universities were working closely with the Department of Health in this regard and had made good progress in the research into the virus.

Primary and secondary education

14.9 On support measures for schools participating in the study on small class and group teaching, Ms Audrey EU enquired about the basis for the estimated cost of \$0.2 million. Pointing out that 40 schools would be involved in the study, Mr CHEUNG Man-kwong questioned whether the proposed provision was adequate for the purpose. In reply, the Permanent Secretary for Education and Manpower (PSEM) explained that the estimated \$0.2 million covered only the staff and administrative costs incurred in EMB for the 2003-04 school year. The precise amount required would also depend on the mode of support, details of which had yet to be finalized and would be reported to the Panel on Education in April 2003. Members noted that the Administration's initial plan was to utilize existing resources as far as possible to conduct the study.

14.10 Mr SZETO Wah opined that with a declining birth rate in Hong Kong, the demand for basic education would also drop. In considering that less expenditure would be required for basic education, Mr SZETO enquired about the planned use of the savings achieved. In reply, SEM explained that low local birth rate would not necessarily lead to reduced provision for basic education because of other factors such as the education needs of incoming immigrant children from the Mainland. PSEM further pointed out that the funding earmarked for basic education had in fact increased over that for the past year. Resources that might be relieved as a result of the reduction in school places would be used to introduce improvements to the quality of basic education, such as the wider application of information technology in schools, extension of the Native-speaking English Teacher (NET) Scheme to primary schools, and the increase in graduate teachers for primary schools.

14.11 Mr CHEUNG Man-kwong noticed that 80% of the 33 secondary school building projects that would be completed for operation from the 2003-04 to 2006-07 school years were Direct Subsidy Scheme (DSS) schools or private independent schools (PISs), which might charge high school fees. He questioned the criteria for deciding on the financing modes of schools, and expressed concern about the imbalance between the provision of aided schools and DSS schools or PISs.

14.12 In reply, PSEM confirmed that the Government's policy was to inject more variety into the education system and provide parents with a wider choice. Whilst seeking to foster the development of DSS schools, the Administration would also ensure that there were sufficient subsidized school places in the district before allowing school sponsoring bodies to apply for running schools on a different financing mode such as DSS. In addition, the School Allocation Committee would also vet every application for new school carefully. She further pointed out that the relatively high number of DSS schools to be opened in new towns was essentially the result of the opening of senior secondary schools there.

14.13 Mr CHEUNG Man-kwong remained concerned about the trend in the provision of DSS schools. Noting that 11 of the 12 primary-cum-secondary schools to be opened in the following four years were DSS schools or PISs, he was gravely concerned that the over provision of DSS schools would narrow the choice of lower-income parents, especially where primary-cum-secondary schools were concerned. In this regard, PSEM advised that the fees charged by DSS schools might not necessarily be high. Most DSS schools were in fact charging school fees at a level similar to that of aided schools. She added that school sponsoring bodies had opted for DSS mainly in return for greater flexibility, not in pursuit of profits. At Mr CHEUNG Man-kwong's request, the Administration would provide a list of the school sponsoring bodies that had applied for new premises to open new schools in the past three years, and the financing modes they had proposed.

Tertiary education

14.14 Dr YEUNG Sum expressed dissatisfaction with the Administration's proposed plan to impose a 10% cut in the funding for University Grants Committee (UGC) - funded institutions. He opined that the proposed reduction in funding was not conducive to the development of Hong Kong into a knowledge-based society and the enhancement of Hong Kong's competitiveness. In response, SEM said that funding for UGC - funded institutions was allocated on a triennial basis. The current triennium would end in 2003-04. He confirmed that there would not be any reduction in funding for UGC - funded institutions in the 2003-04 financial year.

Adult education

14.15 Highlighting the importance of continuing education, Mr Albert HO questioned the cut in expenditure on adult education, in particular the plan to contract out Government evening secondary schools. In reply, PSEM advised that there might be overlapping of resources for Government evening secondary

schools and English courses with recently introduced continuing education programmes such as courses funded by the Continuing Education Fund and Project Yi Jin. Moreover, adult education opportunities might not necessarily be reduced because the Government would commission operators to run the existing courses.

14.16 Mr Albert HO however opined that programmes such as Project Yi Jin were vocational training and not traditional grammar school education. He was concerned about the affordability of private evening secondary schools and enquired whether financial assistance would be available for students. In reply, PSEM advised that the matter would be considered when more information was available on the tuition fees charged by private operators and on the affordability of the adult learners.

14.17 Ms Emily LAU pointed out that the difference in tuition fees between Government and private evening secondary schools was great. She thus sought clarification on how the Administration would enable existing learners to pay the course fees at the present level until their completion of the relevant key stages of study. In reply, PSEM confirmed that assistance would be provided for not more than two years. She also highlighted that while the Government would provide nine years of free and universal education for every child aged 6 to 14, any commitment to subsidize adult students to continue their studies ought to be considered carefully with regard to the limited availability of resources. She also pointed out that at present, over 70% of the students studying in evening schools were in employment and therefore had the financial means to pay for the tuition fees.

Native-speaking English Teacher Scheme

14.18 Mr Tommy CHEUNG considered that the Administration should conduct a comprehensive evaluation of the NET Scheme with a view to ensuring its cost-effectiveness. In response, PSEM advised that the Scheme would be evaluated at three levels. Apart from conducting school-based evaluation according to the indicators provided by ED, an advisory teaching team would also conduct school visits to help schools assess the effectiveness of the Scheme and the adequacy of support to the NETs concerned. In addition, a consultancy had been commissioned to conduct a longitudinal research on the Scheme. She said that to ensure effectiveness of the Scheme, the advisory teaching team would give advice to schools as necessary and schools were also encouraged to share their experience.

14.19 Ms Audrey EU suggested that instead of adhering rigidly to the provision of one NET for every two primary schools, greater flexibility should be

exercised to allow schools to employ part-time NETs so as to fully utilize the existing pool of NETs in Hong Kong, some of whom might prefer to teach at just one school at a lower pay. While taking note of Ms EU's suggestion, PSEM said that schools already enjoyed the flexibility to employ local English-speaking teachers on a part-time basis. As there was a shortage of NETs, schools could make use of their Block Grants to engage English-speaking teachers to meet their needs. Interested teachers with the necessary qualifications were welcomed to apply for these teaching posts.

Issues related to teachers' well-being

14.20 Referring to the Administration's plan to introduce changes to the salary scale of special school teachers, in particular the proposed abolition of their special job-related allowance, Mr SZETO Wah enquired about the savings which could be achieved as a result. He was concerned whether the plan had been finalized as negotiation between the Administration, the Hong Kong Special Schools Council and the Hong Kong Professional Teachers' Union was still under way. He also questioned whether the move might violate Articles 136, 142 and 144 of the Basic Law regarding the recognition of educational qualifications, retention of qualifications and allowing staff previously serving in subvented organizations to remain in their employment in accordance with the previous system.

14.21 In response, SEM pointed out that the proposed abolition of allowance would result in savings of around \$80 million. This level of savings could not be achieved if only a two-year freeze on salary was implemented. The cut was in line with the relevant guidelines which specified that teaching staff above Points 33 of the Master Pay Scale would no longer receive job-related allowances. There was no question of any violation of the Basic Law. SEM said that he was appreciative of the impact of the abolition of the allowance on the special school teachers. The Administration was currently in discussion with the Hong Kong Special Schools Council and the Hong Kong Professional Teachers' Union on possible ways to render assistance, if necessary.

14.22 Mr YEUNG Yiu-chung enquired about the estimated number of surplus teachers as a result of the reduction in the number of primary classes in 2003-04, as well as the plan, if any, to assist these teachers in seeking employment in other aided primary schools. In reply, PSEM reported that the estimated number of surplus teachers was around 500. A notice had already been issued to all schools urging them to inform EMB the number of surplus teachers or vacancies they might have. The information would be put on the Internet to facilitate direct communication between surplus teachers and the schools concerned. In addition, EMB would also organize group interviews in May or June 2003, and would call upon teachers to work part-time where appropriate to make available more teaching posts. In this regard, Mr YEUNG Yiu-chung commented that an option might be to share one teaching post between two teachers, one for each term.

Environmental concern

14.23 Ms Emily LAU enquired on the number of new schools which would benefit from the \$4.1 million earmarked for taking noise abatement measures, and details of these measures. In response, PSEM reported that improvement would be brought to about 572 classrooms. As to whether the level of noise was a major factor for consideration in the selection of school sites, PSEM said that efforts were made to liaise with relevant departments/bureaux to locate schools on sites with less noise impact. However, she pointed out that in allocating land for various uses, many factors had to be taken into consideration.

14.24 Miss CHOY So-yuk enquired if the Administration would consider allocating resources to engage the service of experts in sustainable development/environmental protection to advise on and review the existing education programmes and management practices of different schools. In reply, PSEM advised that sustainable development had already been incorporated in the school subjects related to humanities. She would try to provide the information requested by Miss CHOY after the meeting.

Other education-related issues

14.25 Mr YEUNG Yiu-chung asked which body would handle complaints against tutorial schools after EMB had relaxed control over them. In reply, PSEM said that internal discussion with the Fire Services Department, the Buildings Department and Consumer Council was under way to devise the most appropriate regulatory regime, given that the major areas of concern about tutorial schools were their fee level and safety.

14.26 Noting that the Administration was conducting a review of the grants currently provided to Government and aided schools, Ms Emily LAU enquired about the amount of grants involved, the purpose of the review and the arrangements for implementing the recommendations of the review. In reply, PSEM advised that the present array of grants, comprising over 100 items and involving about \$320 million, was too complicated. For example, library book grant had been further categorized into that for class and that for library. The review therefore aimed at simplifying the funding structure and streamline funding arrangements with a view to enhancing operational efficiency as well as providing schools with greater flexibility in the deployment of resources to meet

their needs. She further pointed out that as the review was still under way, it might not be appropriate to elaborate on proposed improvements at this stage.

Qualifications framework

14.27 Ms LI Fung-Ying was keen to ensure that EMB would review the impact of the qualifications framework on workers before implementing the framework. In response, the Deputy Secretary for Education and Manpower (1) (DS(EM)1) reported that upon conclusion of the public consultation exercise, a working group had been formed to examine the views received before finalizing the details for setting up the framework. Both DS(EM)1 and PSEM were fully aware of workers' concerns following implementation of the qualifications PSEM further assured members that the framework aimed at framework. helping workers with low education attainment to achieve the necessary qualifications, rather than imposing unreasonable demands on them. She supplemented that individual trades would set up their respective framework in due course. The Administration would involve and consult all parties concerned, including representatives of both employers and employees, the Government and the training providers.

14.28 In this regard, Mr TAM Yiu-chung pointed out that there were similar qualifications framework schemes in the Mainland. In his view, since some Hong Kong workers were seeking employment opportunities in the Mainland, efforts should be made to align the Hong Kong scheme with those of the Mainland so that the qualifications attained in Hong Kong could also be recognized by the Mainland. SEM took note of his views

14.29 In reply to Ms LI Fung-ying's enquiries about the timetable and industries involved in the implementation of the Industry Training Specifications, DS(EM)1 advised that to start with, trial schemes on information technology and the retail trade would be introduced.

Employees' Retraining Board

14.30 Mr LEE Cheuk-yan noted that on top of the 1.8% efficiency savings required of all Government bureaux and departments, there was a further 2.7% cut in the provision allocated to the Employees' Retraining Board (ERB) in 2003-04 despite the anticipated income from the Levy on employers of foreign domestic helpers. He was gravely concerned that the Administration's commitment in employees retraining would gradually diminish.

14.31 In response, DS(EM)1 explained that the 2.7% cut was in fact the price adjustment to be made annually according to price movements as stipulated

in the Memorandum of Administrative Arrangements between the Government and the ERB. Regarding the Levy, he clarified that it would only be introduced with effect from 1 October 2003. The Administration would consult relevant parties on how to make the most effective use of the Levy income.

14.32 Mr LEE Cheuk-yan reiterated that the 2.7% price adjustment was unfair and incompatible with the Administration's pledge to assist middle-aged persons with low education attainment to find employment. In this connection, DS(EM)1 confirmed that the price adjustment mechanism was also applicable to other vote controllers under EMB's purview such as the Vocational Training Council (VTC). In this connection, PSEM pointed out that apart from the 1.8% savings target, reduction in funding arising from the planned civil service pay cut had also been factored into the provisions for all Government departments. However, this arrangement had not been applied to ERB and VTC because price adjustment had already been made to their provisions.

14.33 Mr LAU Chin-shek pointed out that the recent move by ERB to change the 12-day duration of its full-time course to eight full days and five halfdays had led to a reduction of \$600 in the training allowance payable to each trainee. He questioned whether this arrangement had been effected to make up for the 4.5% reduction in ERB's provision. In response, SEM confirmed that this was not the case. The change in duration only aimed at utilizing ERB's funding more effectively to benefit more retrainees.

14.34 Mr LAU Chin-shek and Mr LEE Cheuk-yan anticipated that the Levy would bring surplus to ERB and asked whether in due course, trainees would be paid the original level of allowance. While noting their view, SEM said that it was unlikely that ERB would have a surplus as a result of the Levy income.