

立法會 *Legislative Council*

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Report of the Panel on Education for submission to the Legislative Council 2002-2003

Purpose

The report gives an account of the work of the Panel on Education during the 2002-2003 Legislative Council (LegCo) session. It will be tabled at the Council meeting on 2 July 2003 in accordance with Rule 77(14) of the Rules of Procedure of the Council.

The Panel

2. The Panel was formed by a resolution passed by the Council on 8 July 1998 and as amended on 20 December 2000 and 9 October 2002 for the purpose of monitoring and examining Government policies and issues of public concern relating to education matters. The terms of reference of the Panel are in **Appendix I**.

3. The Panel comprises 16 members, with Dr Hon YEUNG Sum and Hon YEUNG Yiu-chung elected as Chairman and Deputy Chairman of the Panel respectively. The membership list of the Panel is in **Appendix II**.

Major work

Early childhood education

4. When the Panel discussed with the Administration the progress on harmonization of kindergartens (KGs) and child care centres (CCCs), some members expressed concern about the right and access of children of ethnic minorities to pre-primary education. They considered that the Administration should make every effort to remove any obstacles or discriminatory elements in the provision of KG and CCC places for children of ethnic minorities so that these children could integrate into the mainstream education system as soon as possible. Some members also pointed out that the quality of pre-primary service was pivotal to the development of the interest to learn among young

children. They suggested that the Administration should provide KG teachers and child care workers with education resources centres or websites to exchange views and disseminate successful teaching and learning experiences in order to enhance the quality of early childhood education.

5. The Administration informed the Panel that as a long term goal, the Administration was working towards providing a professional and lifelong learning ladder for pre-primary practitioners. The Hong Kong Education City Net on the Internet had incorporated a component on early childhood education through which KG teachers and child care workers could share their successful experience in the delivery of pre-primary services. The Administration would also continue to co-ordinate the provision of experience-sharing sessions, seminars and meetings for pre-primary practitioners.

6. Some members expressed concern that as a KG would receive subsidies in proportion to its enrolment of pupils under the enhanced Kindergarten Subsidy Scheme, KGs might over-emphasize academic studies in their curriculum to meet the preference of parents in order to increase enrolment. They also noted that the Education and Manpower Bureau (EMB) would advise operators that KG curriculum should be appropriate to the development needs of young children and pre-mature drilling or excessive training should be avoided. They therefore suggested that the Administration should reinforce its role in monitoring KG curriculum by way of quality assurance inspections. The Administration had undertaken to consider members' suggestion.

7. In view of the problems arising from suspension of classes in KGs to prevent the spreading of Severe Acute Respiratory Syndrome (SARS), the Panel met with representatives of the KG sector and the Administration to discuss possible assistance to KGs and parents who had experienced financial difficulties as a result of the outbreak of SARS. Members noted with concern that many KGs were experiencing financial difficulties because many parents had not paid tuition fees during the period of class suspension, and some of these KGs were forced to reduce the salaries of staff or even lay off some of their staff. Members were of the view that the Government should provide transitional support and relief measures to help KGs survive the SARS crisis.

8. The Administration briefed the Panel on the provision and implementation of a number of support and relief measures to KGs before and after class resumption, which included making appeals to parents to pay tuition fees, re-opening of application for fee remission under the KG Fee Remission Scheme, maintaining the level of provision of subsidies to KGs prior to class suspension, liaison with property developer associations and the two electricity companies for reduction of rentals and charges for KG premises, and co-ordination with the medical profession for provision of free advisory service to schools and KGs, etc. The Administration had undertaken to keep the situation under review and put forward additional measures to assist KG operators, if necessary.

Quality indicators for measuring value-added improvement in student performance

9. The Administration briefed the Panel on the development and proposed use of the Academic Value-added Indicator (AVAI) and the Affective and Social Outcome Indicators (ASOI) for schools to assess their strengths and weaknesses in both academic and non-academic areas by comparison with the performances of other schools.

10. Members expressed concern about the reliability and objectivity of AVAI and ASOI in assessing student's performance in schools. They urged the Administration to work out appropriate measures to prevent misuse of AVAI and ASOI for increasing student enrolment. The Administration explained that EMB was well aware of the adverse consequences of incorrect use of the two sets of indicators, and would organize briefing sessions for school heads and a series of training programmes on the knowledge and skills for interpretation and proper use of the indicators and tools by schools. In the course of implementation, EMB would monitor the use of the two sets of indicators and tools in schools, and ensure that schools would not selectively publicize their value-added information in specific areas to mislead parents or promote student intake.

Enhanced school development and accountability

11. The Administration briefed the Panel on the enhanced School Development and Accountability (SDA) Framework which was aimed at improving student learning outcomes and strengthening schools' capacity for continuous development. Members noted that EMB would take a number of measures in case a school failed to improve in areas as identified through the external school review on the basis of a set of key performance measures (KPMs). In brief, EMB would consider changing the senior management of the school or appointing government officials and suitable persons as managers of the school to participate in the management of the school, and might take over the operation of the school if the arrangements were still ineffectual.

12. Members expressed concern about the implication of EMB's intervention into the management of a school on school autonomy. The Administration explained that EMB was empowered by the Education Ordinance to participate in or take over the management of an under-performing school, but stressed that EMB would exercise such powers in a cautious manner, having regard to the circumstances in each case. The Administration would also consider involving independent persons in the event of taking over a school.

13. Members noted that a total of 21 pilot schools had started to practise a KPM-based performance management system since the commencement of the

2002-03 school year, and the effective practices in strategic planning and self-evaluations identified by these schools would be disseminated to other schools for reference. Some members suggested that schools should be allowed to add other KPMs for self-evaluations in addition to the set of 23 common KPMs developed by EMB, and that EMB should refine and update the set of common KPMs in the light of implementation experience. They considered that EMB should develop a set of territory-wide norms for schools to assess their own performances and in particular, monitor the SDA implementation to increase transparency and public accountability in school education. Members also stressed that these performance measures should not be used to promote student enrolment or other purposes.

14. The Administration stressed that EMB would work closely with the 21 schools to develop the set of common KPMs and identify effective practices for schools to conduct self-evaluations. EMB would also strengthen communication with parents on the correct interpretation of KPMs, and the importance of all-round development of students.

Language education

15. The Panel received a briefing from the Chairman of the Standing Committee on Language Education and Research (SCOLAR) on its consultation document entitled “Action plan to raise language standards in Hong Kong”. Members noted that SCOLAR had recommended that an incentive grant scheme be set up to support and encourage serving language teachers to acquire a Bachelor of Education degree or a Postgraduate Diploma or Certificate in Education in the relevant language subject. They expressed concern whether there would be sufficient resources and programme places to accommodate the needs of serving language teachers.

16. The Chairman of SCOLAR informed the Panel that a budget in the region of \$200 million would be sufficient for providing the incentive grant to interested language teachers. SCOLAR had not recommended a deadline for some 20 000 serving Chinese and English Language teachers (without the required qualification) to acquire the specified qualifications, but would give priority in provision of incentive grant to some 6 000 serving Chinese and English Language teachers who did not have post-secondary education or teaching training in the language subject they taught.

17. Some members had expressed reservations about the recommendation of SCOLAR to incorporate employers’ demands as an external motivation for improvement of students’ language standards. The Chairman of SCOLAR pointed out that SCOLAR had thoroughly deliberated the best ways to create more motivating language learning environment to help students achieve their competencies in language. The Chairman of SCOLAR considered that employers’ demand of an applicant’s language standards would inevitably come to play when a student left school to find employment.

Recruitment of native-speaking English teachers (NETs)

18. When the Panel discussed with the Administration the recruitment progress of NETs, members expressed support for implementing the NET Scheme and the English Language Teaching Assistant Scheme in primary schools. They suggested that ideally each primary school should be provided with a NET. Members stressed that the Administration should adopt all feasible measures to improve the recruitment of NETs for primary schools.

19. The Administration said that it had adopted a number of measures to improve recruitment of NETs, such as providing conditional offers of appointment to attract suitable candidates before the qualification assessments were completed and contracting out the service of recruitment to an overseas agency to recruit primary school NETs from Australia and New Zealand. Members noted that subject to satisfactory recruitment of NETs, the Administration intended to provide one NET for every two public sector primary schools in the 2003-04 school year.

Review of the adult education course operated by EMB

20. The Panel discussed the Administration's proposal to hive off the operation of the adult education courses directly run by EMB, and met representatives of the 12 Centre Officers of Government Evening Secondary Schools, adult learners, potential operators and concern organisations on the proposal. Members had expressed concern about the continuity, quality and fee levels of the adult education courses after they were taken over by private operators, as well as the transitional arrangements for adult learners currently enrolled in these courses.

21. The Administration explained that given the declining enrolment, high drop-out and low completion rate of the adult education courses operated by EMB in recent years, the Administration had to explore the feasibility of providing these courses by other modes of operation. After the review, the Administration intended to commission non-profit-making operators to run these courses from September 2003 for two years with government subvention, so that existing learners could complete a key stage of study at the current level of fees. Meanwhile, the Administration was also reviewing the scope of the Continuing Education Fund with a view to covering more programmes at the basic levels and benefiting more adult learners.

22. Some members expressed support for the Administration's proposal on the condition that adult learners currently enrolled in these adult education courses could continue their studies at the current level of fees and the quality of the courses to be provided by private operators would be maintained. Some other members considered that the adult education courses were designed to provide a wide range of general studies which would enable adults

to attain all-round development and pursue lifelong learning, and the provision of these courses should not be discontinued without comprehensive planning and extensive consultation. The Panel had passed a motion urging the Administration to shelve the outsourcing proposal and determine the course of action after a further review and more extensive consultation for one year.

23. The Administration explained that given the limited resources, EMB would examine the actual tuition fee levels which would be charged by the selected operators two years after outsourcing, and review the appropriate level of subvention for needy adult learners who were committed to pursuing secondary education. However, the Administration saw no reason to defer the planned schedule for implementing the outsourcing proposal. The Panel would follow up the issue upon receiving more details from the Administration about the future provision of the courses after receiving the submission of proposals from potential adult education course providers.

Teaching in small classes

24. When the Secretary for Education and Manpower (SEM) briefed the Panel on the key issues on the education agenda for 2002-03, he informed the Panel that the Administration would conduct a longitudinal study on the impact of “teaching in small classes” from the 2003-04 school year in order to find out the necessary pre-conditions and teaching strategies which would maximize the benefits of “teaching in small classes”.

25. Some members expressed reservations about the need to conduct the longitudinal study since the benefits of “teaching in small classes” were apparent, and all teachers would support its implementation as it would definitely facilitate class management and improve student-teacher interactions in a class room setting. Some members also queried whether it was worthwhile to conduct the study, given that most education researches had failed to provide conclusive evidence for policy formulation purpose. Some other members expressed concern about the huge costs incurred for the implementation of “teaching in small classes”. They considered that other initiatives, such as reducing the student-teacher ratio, could also improve the quality of education.

26. The Administration stressed that in view of the substantial resources required for implementing “teaching in small classes” in all public sector primary schools, it needed to conduct a longitudinal study in primary schools to find out the relationship between “teaching in small classes” and its effectiveness on teaching and learning. The longitudinal study would be designed to help determine the optimal class size for primary education and identify the role and functions of teachers in teaching and learning in both small and regular classes for formulation of long term policies and strategies in primary education. Some members considered that the Administration should consult the views of frontline teachers and consider maintaining the education

allocation to primary schools at the current level and allow primary schools to operate smaller classes in the light of a declining population of primary school students.

27. The Administration briefed the Panel on a proposed study on effective strategies of class and group teaching in primary schools. Some members expressed strong dissatisfaction with the Administration that it had proposed the study in place of the longitudinal study which SEM had undertaken to conduct. They pointed out that the proposed study was in essence different from the longitudinal study originally proposed and was not a study about “teaching in small classes” at all. They considered that variable class size and group teaching strategies did not mean a reduction in class size but only flexible adjustment of class sizes to suit different learning and teaching activities in selected primary schools.

28. The Panel discussed with SEM the rationale for such a change in the Government’s position in respect of the implementation of “teaching in small classes”. According to SEM, the longitudinal study on “teaching in small classes” was based on some preliminary thinking. The proposed study on effective strategies of class and group teaching had taken into account the concerns of LegCo Members and the views of academics in the field. While all public sector primary schools were provided with similar level of resources, some schools had managed to practise variable class size and group teaching strategies to enhance learning effectiveness. Members noted that the Administration would identify the existing good practices in small class and variable group teaching in public sector primary schools for dissemination to and adaptation by other schools for enhancing learning effectiveness in six months. Subject to availability of resources, the Administration would consider increasing the number of primary schools to be invited to take part in the study. Apart from an evaluation report which would be available by end-2006, the Administration would conduct an interim review of the study and might adjust the implementation plan in the light of the findings of the review.

29. Members had no objection to the Administration’s plan to identify the existing good practices of effective small and variable group teaching strategies now being adopted in schools in six months. Some members, however, considered it unacceptable that the evaluation report on the proposed study could only be available by end-2006. They urged the Administration to evaluate and identify the good practices for implementation of “teaching in small classes” in six months, and invite interested sponsoring bodies to participate in the proposed study with details on the support measures and resources provided. SEM agreed to revert to the Panel in six months’ time and briefed members on the strategies and practices which had been evaluated and identified as effective for implementing “teaching in small classes” in primary schools.

Implementation of whole-day primary schooling (WDPS)

30. The Administration briefed the Panel on the implementation progress of WDPS. Members noted that the Administration had achieved its interim target of providing 60% of primary school students with whole-day schooling in the 2002-03 school year. In the light of a projected decline of primary student population from 493 200 in 2002 to 427 700 in 2007, the Administration had set out a plan to provide WDPS in all public sector primary schools by the 2007-08 school year. Members also noted that an evaluation on WDPS conducted by the Hong Kong Institute of Education had concluded that whole-day schools, among others, enjoyed greater flexibility in scheduling of classes and their students had more opportunities to interact with teachers and peers.

Reservation of school sites

31. The Panel continued to monitor the progress on the availability of reserved school sites. The Administration informed the Panel that it had reserved adequate school sites to meet the Government's committed education objectives, after taking into account the last population forecast. Some members reiterated that as "teaching in small classes" would promote the quality of education, the Administration should take the opportunity to implement "teaching in small classes" in schools located at districts where the student population had significantly decreased. Some members also expressed grave concern about the schedule for the reprovisioning and redevelopment of the 429 existing primary and secondary schools which were far below the standard of the Year 2000 model. The Administration informed the Panel that despite the prevailing budgetary constraints, the Administration had set aside sufficient funds for the reprovisioning and redevelopment of about 10 schools in the next few years. The Administration would launch a rolling programme to redevelop/reprovision schools from the 2003-04 school year. However, the number of projects to be included each year would depend on, amongst others, land and financial resources available.

Higher education

32. The Panel was briefed on the Government's major decisions on the Higher Education Review on the basis of the final recommendations of the University Grants Committee (UGC) which included, among others -

- (a) university remuneration should be deregulated but institutions should be given the option to decide whether and when to introduce their own remuneration packages;
- (b) taught postgraduate and sub-degree programmes should be put on a self-financing basis gradually, subject to specified exceptions; and

- (c) the universities should carry out a review of the fitness for purpose of their own governance and management structures and enhance external participation and transparency in their grievances procedures.

33. The Panel discussed with the Administration, staff associations and students' unions in the higher education sector, and concern organizations on the Administration's proposal to deregulate university salaries and housing benefits. Members noted that all the deputations had unanimously expressed objection to the proposal while the Heads of UGC-funded institutions were of the view that the institutions were capable of re-deploying resources for staff salaries and housing benefits in a cost-effective manner after deregulation.

34. Members held a strong view that UGC-funded institutions should consult their staff before deciding whether and when to delink their staff salaries from the civil service pay system, and introduce their own remuneration systems. Some members considered that deregulation should only be implemented when there was a new remuneration system, a reliable governance structure and a fair and transparent appeal mechanism in each UGC-funded institution. They requested that the Administration should freeze the deregulation proposal and consult staff and students extensively.

35. The Administration stressed that UGC-funded institutions were free to decide whether and when they should implement deregulation after 1 July 2003, and that deregulation of university pay was a cost-neutral exercise. The Administration would ensure that the institutions adopting new pay packages would not be worse off than if they continued to maintain the link in terms of the public funding they received. The Administration would continue to adjust the pay-related expenditure to the institutions annually to reflect the percentage of adjustment in civil service salaries. The Administration explained that deregulation would, in principle, give flexibility to institutions in devising their own remuneration packages on the basis of merit and performance, as well as adapting to changing needs and circumstances in the future. The institutions were free to decide their own remuneration systems which could be based on the existing salary scales linked to civil service pay or totally new mechanisms. Nevertheless, the Administration agreed that the institutions should consult their staff and students in their design of a remuneration system appropriate to their own circumstances, before implementing the deregulation proposal.

36. Some members were concerned that the UGC-funded institutions would have more disputes in staff administration after deregulation of staff salaries. They suggested that UGC should collaborate with UGC-funded institutions to establish a fair and transparent mechanism with a high level of creditability to deal with staff disputes arising from implementing the deregulation proposal. The Administration pointed out that UGC-funded institutions had put in place

fair and transparent mechanisms to handle staff disputes, and would consult UGC in the design of their own remuneration systems if they decided to deregulate their salaries.

37. UGC explained that the deregulation proposal aimed to activate the mechanism for UGC-funded institutions to start the deregulation process. Individual institutions would have different strategies to implement deregulation, and should be given sufficient time to design their new remuneration systems and prepare necessary implementation plan. Given the size of the workforce in UGC-funded institutions, it would not be practicable to start the preparation work after the institutions had completed the consultation and reached a consensus with staff on the proposal. UGC also advised that the institutions would review their governance structure with a view to enhancing transparency and public accountability. After the establishment of a more transparent and accountable governance structure, university management should be able to implement deregulation without causing a lot of staff disputes over salaries and benefits administration, and move towards achieving international excellence.

38. On provision of sub-degree programmes on a self financing basis, some members considered it unfair to provide 82% subsidy to degree programmes but no subsidy to sub-degree programmes. They urged the Administration to continue the provision of subsidies to sub-degree programmes run by the Hong Kong Polytechnic University and the City University of Hong Kong (CityU) in view of their history and contributions to the development of the community in the past decades.

39. The Administration explained that from a policy perspective, it was necessary to achieve a more equitable distribution of resources and maintain a fair competition between existing and new operators of sub-degree programmes in the long term. Requiring sub-degree programmes to operate on a self-financing basis would help channel resources to where it was most needed. Nevertheless, the Administration would consider the needs of the community in determining which sub-degree programmes should continue to be publicly funded. In general, public funds would continue to be provided for sub-degree courses that required high start up and maintenance costs or access to expensive laboratories/equipment, courses that met specific manpower needs, and courses that lacked market appeal to the provider and the average students. The Administration assured members that the savings recovered from the sub-degree sector would be ploughed back mainly to benefit students in the same sector through measures such as improving the package of financial assistance to students of self-financing courses.

40. Members noted with concern that the Management Board of CityU had decided that the University should prepare for the phasing out of its associate degree programmes on the grounds that it would not be financially viable to offer these programmes without government subvention. Some members

pointed out that the decision would mean less choices for students in pursuit of higher education and was at odds with the Government's policy of providing 60% of senior secondary school leavers with the access to post-secondary education in the year 2010-11. They stressed that students' interests should be protected and the contributions of these programmes to the education sector and community development should be valued. The Panel would follow up the future provision of associate degree programmes in CityU with the Administration, UGC, representatives of CityU management, concern groups and the students' union of CityU.

41. Institutional governance and grievances procedures of UGC-funded institutions was a major area of concern to the Panel. Members were of the view that there was a genuine need to establish a sound mechanism to handle staff grievances and complaints in the higher education sector. They suggested that UGC should play a proactive role to facilitate UGC-funded institutions to increase external participation and transparency of their grievance and complaint mechanisms. UGC took the view that in the light of institutional autonomy, it was not necessary to establish an independent council to handle staff grievances and complaints for the institutions in the higher education sector. However, UGC would continue to encourage institutions to review and improve their grievance and complaint handling procedures. At the Panel's request, UGC undertook to provide information on the development of an internal grievance and complaint mechanism in individual institutions.

42. Following the release of the report of the Independent Committee on Review of Recent Events in the School of Law appointed by the Council of CityU, the Panel discussed with the Council Chairman of CityU the review and appeal mechanism for non-renewal of staff contract in CityU. Members were of the view that CityU should improve the transparency of its appeal mechanism and ensure fairness in its grievance and complaints procedures. The Council Chairman of CityU informed the Panel that CityU would follow up the recommendations of the Independent Committee on improvement measures for the performance evaluation process and its appeal mechanism. The CityU Council had also appointed a Permanent Judge of the Court of Final Appeal as the chairman of a review panel which was established to review the governance structure of CityU.

Funding cuts for University Grants Committee-funded institutions

43. The Panel discussed the proposed 10% funding cut in UGC's block grant in the rollover year 2004-05 with the Administration, UGC and organizations concerned. Members noted that the Heads of the eight UGC-funded institutions had expressed reservations about the proposed funding cut. These Heads of institutions had pointed out that the overall funding cuts for 2004-05 would in fact be more than the proposed 10% reduction. This was because the reduction did not include the reduction arising from the policy for taught postgraduate and sub-degree programmes to operate on a self-financing

basis, a 3% reduction in staff salaries and deregulation of housing benefits, and further reduction likely to be imposed in the 2005-08 triennium. Members were concerned as to how UGC-funded institutions could effectively plan the future development of their institutions in the light of the proposed 10% and other possible funding cuts in the 2005-08 triennium. Members requested that the Administration must conduct an open and transparent dialogue with the institutions before making any decision on funding, and any funding cuts should be phased in gradually in order not to cause damage to any institutions.

44. The Administration explained that the actual percentage of reduction for the UGC sector would depend on the final education budget for 2004-05 as well as the anticipated efficiency savings through re-prioritisation, re-organization and re-engineering within EMB. The 10% reduction in UGC's block grant was an estimate proposed to facilitate discussions between UGC and individual institutions on apportionment of the reduction based on institutions' academic development programmes. The Administration also pointed out that the 10% reduction was targeted at efficiency savings. It would not be applied across-the-board to include items such as funding for home financing scheme, reimbursement of government rent and rates paid by the institutions, staff pay adjustments, etc. The budget for the UGC sector in the 2005-08 triennium would be determined in the light of the government revenue and expenditure as well as the prevailing economic conditions in due course.

45. The Administration further explained that the funding cuts were proposed in response to the target set by the Financial Secretary (FS) to reduce total government operating expenditure from \$220 billion to \$200 billion by 2006-07. EMB had also proposed a number of measures to assist the institutions in coping with the funding cuts, including the establishment of a \$1 billion matching fund

Matching Fund for University Grants Committee-funded institutions

46. The Administration briefed the Panel on its plan to establish a \$1 billion fund for awarding grants to UGC-funded institutions to match private donations secured by the institutions, and to increase the momentum for developing a stronger philanthropic culture in the community. The Administration informed the Panel that FS had also proposed to raise the ceiling for tax-exempted donations from 10% of assessable income or profits to 25% to encourage private donations to educational and other charitable organisations. Donations pledged and paid to institutions after 5 March 2003 would be eligible for award of the matching grants. The fund would be open for applications from 1 July 2003.

47. Members in general expressed support for the establishment of a matching fund to encourage institutions to strengthen their fundraising activities so as to diversify the funding source for higher education. They,

however, urged the Administration to take some affirmative measures to assist the institutions which were less capable of raising funds. They suggested that the Administration should consider a two-tier or three-tier structure and give a higher matching ratio to these institutions.

48. The Administration responded that it would be fair to start with a 1:1 matching ratio for all institutions. To encourage healthy competition amongst the institutions and to allow the smaller institutions a fair chance, UGC would set aside an amount of \$20 million for matching by each institution as a guaranteed minimum in the first six months after the fund was open for application. In addition, there would also be an upper limit of \$150 million applicable to the aggregate amount of matching grants received by each institution during the first phase. The Administration would review implementation of the matching grant scheme at the end of the first phase which would include the matching ratio of the scheme and provide the Panel with a review report in due course.

Merger of EMB and the Education Department (ED) and merger of the Education Commission (EC) and the Board of Education (BoE)

49. The Panel discussed the Administration's proposals to merge EMB with ED, and EC with BoE. While members were generally supportive of the proposed merger of EMB and ED, and had not raised objection in principle to the proposal of merging EC and BoE, they had expressed various concerns and queries.

50. As regards the proposed merger of EMB and ED, some members expressed concern about the impact of the merger on staff morale and organizational stability, as there had been a series of changes in ED in the past few years. The Administration explained that the merger would be a one-off exercise and would review the directorate structure two years after the merger in the light of operational experience. The Administration stressed that it would consult the affected staff members on any reorganisation of their work and in any circumstance, the objectives of any changes in re-engineering of work processes or refocusing of priorities in the new EMB would be to simplify line of reporting and improve cost-effectiveness.

51. Members noted that at present provision of associate and sub-degree programmes was put under the purview of UGC. Some members expressed concern that the autonomy of UGC-funded institutions might be undermined as the future provision of these programmes by the institutions would come under the purview of both UGC and the Manpower Development Committee which was set up to oversee the development of vocational and continuing education. The Administration stressed that the proposed merger in no way implied that there was any change in the role of UGC in higher education.

52. On the proposed merger of EC and BoE, members were of the view that it was important to incorporate the views of frontline teachers, education professionals and the public in the policy formulation and implementation in education. Some members supported the proposed appointment of representatives of educational bodies to the new EC. Some other members, however, expressed strong dissatisfaction that given its membership structure, there would only be one, and at most two, teachers' representatives on the new EC. The Administration explained that members of the new EC were appointed on the basis of their expertise and potential contributions to EC, regardless of whether they were principals or teachers. Regarding educational matters affecting the interests of teachers, the Administration would consult teacher organisations separately and extensively. Some members also expressed concern that as the non-statutory status of EC after the merger would be maintained, the power and status of the new EC would be decreased. The Panel would follow up the issues relating to the representation and status of the new EC.

Administration of Hong Kong Examinations and Assessment Authority (HKEAA)

53. Arising from some reports about the financial difficulties and staff communication problems of the HKEAA, the Panel discussed the follow-up actions to be taken with HKEAA. Members had expressed concern that given its budget deficit, HKEAA was not prudent in spending money and might need to increase examination fees to address the problem. HKEAA informed the Panel that HKEAA would continue to try all possible means to improve its financial situation, and would consider increasing the examination fees by 9% across-the-board only if there was no other alternative to balance the budget deficit in the 2003-04 financial year. HKEAA also assured the Panel that its management would strive to enhance internal communication and involve staff more in formulating policies.

Other issues

54. The Panel also received briefings from the Administration on the Chief Executive's Policy Address 2003, education expenditure in the Draft Estimates for 2003-04 and a number of financial and legislative proposals, including the Operating Expenses Block Grant for the 2002-03 school year, the Accreditation Grant for post-secondary programme providers, the allocation of the Capacity Enhancement Grant, the annual adjustment of rates of Operating Expenses Block Grant for aided schools, the Education (Miscellaneous Amendments) Bill 2003 and the Hong Kong Examinations and Assessment Authority (Amendment) Bill 2003.

Meetings and visit held

55. During the period between October 2002 and June 2003, the Panel held a total of 18 meetings and members also visited the Hong Kong Institute of Education.

Council Business Division 2
Legislative Council Secretariat
26 June 2003

**Legislative Council
Panel on Education**

Terms of Reference

1. To monitor and examine Government policies and issues of public concern relating to education matters.
2. To provide a forum for the exchange and dissemination of views on the above policy matters.
3. To receive briefings and to formulate views on any major legislative or financial proposals in respect of the above policy area prior to their formal introduction to the Council or Finance Committee.
4. To monitor and examine, to the extent it considers necessary, the above policy matters referred to it by a member of the Panel or by the House Committee.
5. To make reports to the Council or to the House Committee as required by the Rules of Procedure.

**Legislative Council
Panel on Education**

Membership List

Chairman	Dr Hon YEUNG Sum
Deputy Chairman	Hon YEUNG Yiu-chung, BBS
Members	Dr Hon David CHU Yu-lin, JP Hon Cyd HO Sau-lan Hon Eric LI Ka-cheung, JP Hon CHEUNG Man-kwong Hon LEUNG Yiu-chung Hon Jasper TSANG Yok-sing, GBS, JP Hon Emily LAU Wai-hing, JP Hon CHOY So-yuk Hon SZETO Wah Hon Tommy CHEUNG Yu-yan, JP Dr Hon LO Wing-lok Hon WONG Sing-chi Hon Audrey EU Yuet-mee, SC, JP Hon MA Fung-kwok, JP (Total : 16 Members)
Clerk	Miss Flora TAI Yin-ping
Legal Adviser	Ms Bernice WONG Sze-man
Date	10 October 2002