

For discussion on 15 December 2003

Legislative Council Panel on Education

**Government Funding to Support the Assessment Development, Policy and Research
Activities of the Hong Kong Examinations and Assessment Authority**

Purpose

This paper consults Members on our proposal to provide the Hong Kong Examinations and Assessment Authority (HKEAA) with a one-off grant of \$136.7 million in 2003-04 to support its assessment development, policy and research activities.

Background

The HKEAA

2. The HKEAA is a statutory body established in May 1977 under the HKEAA Ordinance (Cap. 261). Its statutory responsibility is to administer the Hong Kong Certificate of Education Examination (HKCEE) and the Hong Kong Advanced Level Examination (HKALE). It operates on a self-financing basis and is not receiving any recurrent subvention from the Government at present. The HKEAA is currently governed by a 27-member Council whose members are drawn from tertiary institutions, schools, the business sector and government officials. To strengthen the governance as recommended in the Strategic Review of HKEAA, the overall size of the HKEAA Council is to be reduced to 17, with changes to the categories and number of members in each category, subject to the outcome of Legislative Council's negative vetting of the amendment to Schedule 2 of the HKEAA Ordinance (Cap. 261) in February 2004.

The Strategic Review and its recommendations

3. In support of the Education Reform and new educational initiatives and to keep pace with increasing demand and expectations from the public, the HKEAA Council conducted a strategic review to take a critical view of its functions and capability, identify the necessary changes that enable it to fulfill its roles and functions; and to develop short term and long term implementation plans for recommendations made. The consultant, IBM Business Consulting Services, started the Review in September 2002 and completed the Final Report in May 2003, which was released to the public in late May. The Council has met to discuss the recommendations and formed strategic groups to implement them.

Problem

4. At present, there is a lack of research-based evidence, forward-looking research and analysis, and an overall long-term direction to conduct research, store and track data to support the HKEAA and Education and Manpower Bureau (EMB) in assessment development and policy setting.

5. Though the HKEAA has recognized the need to strengthen its research capacity so as to generate more informed discussion on assessment issues, such development work, though crucial, cannot be totally absorbed by the existing resources of the HKEAA because this will have to take place alongside the on-going regular examination responsibilities of the HKEAA in the forthcoming five years. The consultant, in the Final Report of the Strategic Review, has pointed out two central observations, one of which is that the HKEAA has operated within a limited Ordinance and with limited sources of revenue. The HKEAA has been set up as a self-financing organization, and its main funding source is the fees charged for the two currently loss-making public examinations. The fees will be frozen for the 6th consecutive year in 2004. Given its current constraints, the HKEAA has genuine financial difficulties. The current income stream of the HKEAA can therefore only cater for its existing self-financing activities, and is unable to support the additional funding requirements from the new initiatives.

Proposal

6. The Secretary for Education and Manpower proposes to make a one-off grant of \$136.7 million to the HKEAA to support its assessment development, policy and research activities for about five years till 2009. These activities cover public assessment reform to support new senior secondary curriculum, and the development, implementation and tracking of key initiatives like the standards-referencing of HKCE Chinese and English Language examinations. The one-off grant enables the enhancement of HKEAA's research capacity to keep up with supporting the education initiatives and development of the public assessments.

Justification

Support from the Council and consideration of stakeholders' views

7. The recommendations of the Strategic Review have taken into account stakeholders' views through workshop and focus groups and discussion in the Council, which covers a balanced composition of representatives from tertiary institutions, schools and the business sector. The final report of the review has also been released to the public through the HKEAA's website.

8. With the Council's support of the recommendations, EMB will continue to coordinate with the HKEAA the implementation of those pertinent to both the HKEAA and EMB, and facilitate, through the amendment of the HKEAA Ordinance (Cap. 261), the streamlining of the Council and, in the medium term, the provision of funding for meeting the assessment development needs.

The need and significance of the funding to support assessment development, policy and research activities

9. The funding will help address the problems identified in paragraphs 4 - 5 and provide sufficient financial support for assessment development, improving the public examinations as well as guarding examination standards across years. With the input of the HKEAA and the Curriculum Development Institute (CDI) under EMB, the scope of the research activities could be divided into the following categories -

a) Assessment development – New initiatives

The public assessments, especially the HKCEE which impacts annual cohorts of over 120 000 candidates, mainly students, have to be revamped to bridge their gap with the new senior secondary curriculum, as well as to take in new and appropriate assessment approaches. The new senior secondary curriculum includes addition of new subjects, integration of existing subjects, revision of the existing curricula and incorporation of elements to take care of learning differences and special needs; whereas new assessment approaches include standards-referencing and school-based assessment. The development of new senior secondary curriculum and corresponding assessment is a necessary on-going process regardless of the decision on the implementation of the 3-year academic structure for senior secondary education and 4-year undergraduate programmes recommended by the Education Commission; and could in parallel accommodate the implementation of the 3-year senior secondary education allowing for a lead time from the implementation date when known.

The new initiatives in assessment development cover the followings:

- i) development of standards-referenced grading starting from the 2007 HKCEE English and Chinese Language subjects
 - Objectives: To identify and study the various issues associated with the development and implementation of the standards-referencing approach including the impact on students' learning and standards across years, and the validity of the banding and descriptors after the implementation.
- ii) development and review of school-based assessment
 - Objectives: To investigate the approaches and issues involving the development of school-based assessment.
- iii) revision of the assessment process to support changes in the existing set of public examination subjects, and
- iv) development of a new public examination to support the implementation of new senior secondary curriculum
 - Objectives: To close the gap between the curriculum and public assessment in view of the on-going development of the curriculum.

b) Strengthening and improving the validity and reliability of public examinations

i) Improving the current public examination system

- Objectives: To broaden the range of assessment methods in public examinations which will best meet the curriculum requirements in the education reform; investigate different marking approaches and processes to enhance marking reliability and quality control of the marking process; to review the marking schemes in selected subjects in the public examinations; and to investigate the viability of online script marking in Hong Kong.

ii) Studying the predictability of correlation between HKCEE-HKALE results, correlation between HKALE-University results, and correlation between schools' internal assessment and public examinations results.

- Objectives: To gauge students' standards across stages and the reliability of public examinations in grading candidates; and to ensure standards are maintained in any new examination process.

c) Long-term regular guarding and comparison of students' standards/performance

- Objectives: To kick-start the tracking of students' standards/performance in public examinations and compare them across different domains like time, cities/countries (e.g. between Hong Kong and Mainland cities, between Hong Kong and other Southeast Asian cities) and other examinations (e.g. between HKCEE and TOEFL/IELTS) in order to identify rising/falling trends, where students stand across different domains and the relevant mechanism and strategy to maintain students' standards before and after any changes in education policies.

d) Enhancing assessment literacy of the teaching profession

i) Identifying useful qualitative and quantitative assessment data for schools' reference

- Objectives: To find out the kind of quantitative feedback schools would like and their need for qualitative feedback in public examinations like analysis of the strengths and weaknesses of students' answers in open questions; and to assess the viability of such services.

- ii) Providing training programmes on assessment concepts and skills for teachers
- Objectives: To provide teachers with training on assessment concepts and skills to ensure the internal assessment conducted in schools is generally in line with the expectations and requirements of public examinations where applicable, and to enhance assessment literacy of teachers in general.

10. In view of the Education Reform and the many new initiatives under way, a long-term direction as well as sufficient funding support is imminent and essential to drive the assessment development and policy forward, with the ultimate aim of maximizing the positive impact of public examinations on learning in the classroom and enhancing teachers' assessment literacy.

Financial implications

11. The one-off grant of \$136.7 million will provide the HKEAA with the necessary funding for undertaking the research activities explained in paragraph 9, as categorized below:

Category	Estimated Cost ¹ (\$ million)
a) Assessment development: New initiatives	111.5
b) Strengthening and improving the validity and reliability of public examinations	10.5
c) Long-term regular guarding and comparison of students' standards and performance	11
d) Enhancing assessment literacy of the teaching profession	11.8
Sub-total	144.8
Less: Estimated interest to be generated from the grant	(8.1)
Amount of proposed grant	136.7

EMB will deploy provision of \$136.7 million under Head 156 Subhead 000 Operational Expenses in 2003-04 to meet the proposed one-off grant.

¹ The cost estimates are subject to change in view of the ongoing development of the curriculum and supporting assessments in the next five years.

12. Similar to the Language Fund (LF) and the Quality Education Fund (QEF) which are based on a long-term vision to support specific education initiatives, we recommend the provision of a one-off grant to the HKEAA in order to support assessment development, policy and research activities. These activities should be planned with a longer term perspective to bridge the gap between assessment and curriculum, and to provide input to the setting of education policies and initiatives. The one-off grant will provide the HKEAA with the certainty in the planning and development processes for conducting the aforesaid activities. There is no need for setting up a separate trust to administer and manage the one-off grant as in the case of LF and QEF since the HKEAA Council will assume such responsibilities.

13. The proposal has no recurrent financial implication to the Government.

Monitoring the delivery of projects and usage of the funding

14. EMB will sign a Letter of Agreement with the HKEAA specifying the ambit of the assessment, policy and research activities to be undertaken by HKEAA; the monitoring mechanism; and the requirements that the HKEAA has to keep separate accounts of the income and expenditure relating to the proposed one-off grant and return to the Government any surplus (including unused grant and interest generated) after the completion of the deliverables set out in the Letter of Agreement or at the end of the five-year period, whichever is earlier.

The monitoring mechanism

15. Under the HKEAA Council are a number of committees including the Research Committee, Finance and General Purposes Committee (F&GPC), and School Examinations Board (SEB). The Research Committee and SEB will recommend the scope and selection of projects to the Council for approval; monitor the project deliverables and timelines and report regularly to the Council; and recommend the usage of the funding to the F&GPC in their respective areas. The SEB advises the Council on a wide range of matters concerning the local examinations and above all, to approve the syllabuses of the HKCEE and HKALE on behalf of HKEAA, and therefore has to be involved in recommending and monitoring the assessment development and research activities.

16. In parallel, the F&GPC will scrutinize, monitor and recommend to the

Council for approval the usage of the funding based on the advice of the Research Committee and SEB. Its main responsibilities include advising and making recommendations to the Council on all matters which have financial implications other than where executive power has been delegated by the HKEAA.

17. The Council and F&GPC are composed of Government officials and members drawn from tertiary institutions, schools and the business sector, whereas the Research Committee and SEB are composed of members from the tertiary and school sectors, altogether giving a comprehensive composition to monitor the project activities and usage of the funding.

18. In respect of the Government's role of monitoring, EMB has representatives on the Council, SEB and the two committees. The Chief Executive has the authority to approve or reject HKEAA's annual estimates of income and expenditure and programme of its proposed activities as stipulated in the HKEAA Ordinance (Cap. 261). EMB will be ultimately responsible for ensuring that the proposed grant will be used for the intended purposes. For transparency, we will inform LegCo of the progress of the use of the one-off grant through annual reporting.

The Way Forward

19. We plan to submit the funding proposal to the Finance Committee in early 2004.

Education and Manpower Bureau
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