

Legislative Council Panel on Education
Implementation of the Harmonisation of Pre-Primary Services

Purpose

Members were informed of the way forward of the harmonisation of pre-primary services on 3 March 2003 [LC Paper No. CB(2)1125/02-03(01)]. This paper informs Members of the progress on the implementation of the harmonisation of pre-primary services from the 2005/06 school year.

Background

2. At present, kindergartens¹ (KGs) registered under the Education Ordinance (Cap. 279) (EO) admit children aged 3 to 6. Child Care Centres² (CCCs), comprising day nurseries (DNs) which admit children aged 2 to 6 and day crèches (DCs) for infants and toddlers aged below 2, are registered under the Child Care Services Ordinance (Cap. 243) (CCSO). As DNs and KGs are providing similar services to a similar target group, there has been suggestion that they should be subject to similar requirements, registered under the same ordinance and monitored by one single authority.

3. The issues of improving the quality and unifying the system of pre-primary services have been key concerns of the pre-primary services sectors. In 2000, a Working Party on Harmonisation of Pre-primary Services (WP) was formed by the Education and Manpower

¹ For the purpose of the harmonisation of pre-primary services exercise, a kindergarten refers to an institution that provide nursery education and kindergarten education at the same time, covering child of the age from 3 to 6 years.

² Section 2 of the Child Care Services Ordinance (Cap. 243) defines Child Care Centre as "... means any premises at which more than 5 children who are **aged below 6** are habitually received for the purposes of care and supervision during part of the day or for longer periods".

Bureau (EMB) and the Social Welfare Department (SWD) to advise the Government on matters relating to the harmonisation of pre-primary services. In 2002, the WP issued the “Consultation Document on Harmonisation of Pre-primary Services” and held a series of consultation sessions to seek views of the pre-primary services sectors and the general public. Based on the views collected from the sectors and the public, the WP revised its recommendations on harmonisation of pre-primary services and reported to the relevant advisory bodies, including the Education Commission (EC) and the Social Welfare Advisory Committee (SWAC) in February 2003 and the Legislative Council (LegCo) Joint Panel on Education and Welfare Services on 3 March 2003. The major proposals are at **Appendix 1**.

4. The original plan was to implement the recommendations by the 2004/05 school year. The Severe Acute Respiratory Syndrome epidemic in 2003 dealt a major blow to the economy of Hong Kong. In view of the then prevailing economic situation, it was considered that a longer period of transition was necessary to help the sector recuperate from the adverse operating conditions and implementation of harmonisation of pre-primary services was deferred to the 2005/06 school year.

Progress of Implementation

5. Since the last report to the LegCo Joint Panel on Education and Welfare Services on 3 March 2003, a special team staffed by EMB and SWD has been working on the following to facilitate the implementation of the harmonisation exercise –

- (a) working out uniform statutory requirements /standards in respect of the regulatory framework of the pre-primary services and seeking legal advice on various aspects of harmonisation including the coverage of the CCSO and EO;
- (b) making preparation for the changes of financial assistance scheme: replacement of the 5% subsidy and Child Care Centre Fee Assistance Scheme (CCCFAS) by Kindergarten Subsidy Scheme (KSS) and Kindergarten Fee Remission

Scheme (KGFRS) respectively;

- (c) preparing for the establishment of a Joint Office to provide one-stop service to facilitate pre-primary services operators that provide both education and care services;
- (d) compiling an operation manual to serve as a reference guide for the operation of a harmonised pre-primary service;
- (e) sorting out with relevant departments on arrangements for registration of some 440 CCCs as KGs;
- (f) enhancing a Quality Assurance system for a harmonised pre-primary sector; and
- (g) organising briefings to keep the sectors abreast of the harmonisation progress, etc.

Legislative Amendments

6. To facilitate the implementation of harmonisation, EMB and SWD have reviewed the existing EO and CCSO respectively. The purpose is to develop uniform statutory standards in respect of the regulatory framework of the pre-primary services.

7. To implement the harmonisation measures, the CCSO and the Child Care Services Regulations (CCSR) will need to be amended. The related regulatory measures, based on the latest revision of EO, were accommodated by the Education (Amendment) Ordinance 2004 to facilitate the harmonisation of pre-primary services. The existing provisions under EO and its subsidiary legislation are adequate to facilitate harmonisation measures through administrative measures.

8. The main amendment proposals to CCSO and CCSR are –

(a) **Definition of Child Care Centre**

Upon implementation of the harmonization exercise, EMB will, through EO, continue to supervise institutions providing education services to children aged 3 to 6.

Whereas SWD will, through amending CCSO, supervise centres providing child care services to children aged below 3 and pre-primary institutions for children aged 0 to 6 with special needs including special child care centres for physically and/or mentally disabled children and residential child care centres.

(b) **Scope of Application of CCSO**

The current CCSO does not apply to any school which is registered under EO. However, there are operators running services for children aged between 0/2 and 6 on the same premises. These include CCCs (DNs for children aged 2 to 6 and DN-cum-DCs for children aged 0-6) and KGs operating DN in part of the original KG premises. Upon harmonisation, the service providers may operate KGs and CCCs on the same premises under the auspices of the two ordinances. It is likely that most of the existing CCCs will transform to become KG-cum-CCCs upon harmonisation. They will then operate both a KG section (for children aged 3 to 6) and a CCC section (for children under 3). The amendment will achieve the purpose of allowing the same premises to be registered as CCC and KG without the need of delineating the specified areas for KG section and CCC section. The arrangement will enhance the flexibility in using the registered premises by both the KG and the CCC sections.

(c) **Powers Conferring Sections**

Amendments to CCSO are necessary to allow the Director of Social Welfare (DSW) to confer necessary powers under CCSO to staff of the Joint Office to facilitate their management of the CCC section of the KG-cum-CCCs. Also, the Chief Executive may by notice in the Gazette appoint any officer in EMB to be inspector of child care centres.

(d) **Staff Related Issues**

Amendments to CCSR are necessary to facilitate mutual recognition of child care workers (CCWs) and qualified kindergarten teachers (QKTs). Other staff related amendments include a common minimum ratio of QKT/CCW to children aged 2 to 6, textual amendments to align the qualification requirements of Child Care Supervisor (CCS) with kindergarten principal so as to allow either the kindergarten principal or CCS to take up the supervisory role in KG-cum-CCC, and other consequential amendments such as the lifting of age requirement for CCSs, etc.

Amendment is also required to abolish the provision for trainee child care workers (TCCWs) to be effective by 2007 when all the existing TCCWs have acquired the required qualification to become CCWs or QKTs.

(e) **Operational Requirements**

Amendments to some of the CCSRs are also required to cater for operational requirements such as aligning the ceiling height requirement between KGs and CCCs, allowing authorised person to inspect the premises of CCCs, adopting the same fire drill requirement in CCCs as KGs, using the same floor area requirements for premises serving children aged 2-6, etc.

Joint Office

9. Preparatory work for harmonisation of pre-primary services, including the establishment of a Joint Office to handle registration of schools and teachers, regulatory issues and the various assistance schemes for service providers and parents is now at its advanced stage. Upon harmonisation, the performance indicators applicable to KGs will also apply to KG-cum-CCCs (aged 0-6 or 2-6), and there will be only one performance monitoring system in order to eliminate inconvenience and confusion to the sector. The pre-primary services sector would be

informed of the other detailed arrangements in due course.

Financial Assistance Schemes to Service Providers

10. At present, aided CCCs are eligible for reimbursement of rent, rates and government rent from SWD. In addition, they receive a direct subsidy equivalent to 5% of the fee approved on the basis of approved capacity from SWD. As for non-profit making KGs, EMB provides financial assistance in two forms – reimbursement of rent, rates and government rent, and grants under the KSS. Upon harmonisation, we plan to expand the ambit of the KSS to cover grants to CCCs so that government subsidies (other than reimbursement of rent, rates and government rent) to service providers of pre-primary services are provided under one scheme. The rate of subsidy for children aged 2-6 will be based on groups of 15 children or part thereof, while that for children aged 0-2 will be based on groups of eight children or part thereof, taking full account of the statutory staff to children ratio of 1:8 applicable to DCs. Since the two existing schemes operate on different mechanisms³, majority of service providers in the CCC sector with reasonable enrolment will receive a higher level of grant under the expanded KSS, while some service providers in the CCC sector may receive less subsidies. We plan to seek approval from FC to expand the ambit of KSS. The existing arrangements for the reimbursement of rents, rates and government rents will remain unchanged.

Financial Assistance Schemes to Parents

11. At present, the CCCFAS is available to parents of children attending DCs and DNs⁴, while the KGFRS provides assistance to parents of KG pupils. CCCFAS provides assistance on a means-tested sliding

³ The 5% Subsidy Scheme is to provide financial assistance to aided CCCs to cover cash flow problems arising from fluctuations in enrolment and to meet unexpected increase in operating costs. The rate of subsidy is based on the approved capacity and the monthly fee of the centre. On the other hand, KSS is to provide subsidy to non-profit-making KGs to encourage them to employ more qualified kindergarten teachers without having to increase school fees substantially.

⁴ To be eligible for CCCFAS, a family also has to demonstrate a social need for child care, for example, both parents go out to work. It provides assistance on a sliding scale with parental contribution based on income.

scale with a parental contribution based on household income with no pre-set ceiling. The maximum assistance is the lower of the actual fee charged by a CCC or the maximum level of fees approved by SWD. Financial assistance under KGFRS provides three levels of assistance, i.e. 100%, 75% or 50% fee assistance based on a means test. In harmonising pre-primary services, we consider it appropriate to have one single means-tested mechanism for determining financial assistance to all pre-primary children. We therefore plan to provide financial assistance to all pre-primary children based on the enhanced KGFRS by –

- (a) expanding the ambit of the existing KGFRS to cover all eligible children aged six or below receiving pre-primary services. As a result –
 - (i) those children aged three to six attending half-day CCCs⁵ who are currently not eligible for fee assistance under CCCFAS would be covered; and
 - (ii) apart from those receiving half-day pre-primary services, children in the eligible age group attending full-day CCCs/KGs⁶ on the grounds of social needs would be covered;
- (b) including both air-conditioning and meal charges into the monthly fee on which fee assistance under the modified KGFRS⁷ would be based; and
- (c) as a grandfathering arrangement, applying the “no worse-off” principle to existing CCCFAS recipients who joined CCCFAS in or before the 2004/05 school year (i.e. if they receive less assistance under the revised scheme, they will be

⁵ At present, CCCFAS does not cover children attending half-day CCC service.

⁶ From an educational point of view, a half-day KG programme will suffice for children aged three to six. For children aged zero to six attending full-day CCCs/KGs, the parents are required to meet the social need criteria such as both parents have to go out to work, etc. in order to be eligible for fee assistance for full-day care and the amount of subsidy would be determined by a means-testing mechanism. For children aged three to six attending full-day KGs but without social needs, the parents would still be eligible for a portion of fee assistance which is equivalent to the half-day fee charged by the concerned KG subject to a means-test.

⁷ At present, CCCFAS only includes meal charges but not air-conditioning fees, whereas KGFRS only includes air-conditioning fees but not meal charges.

allowed to opt to continue receiving assistance under the existing schemes until the children concerned leave the KGs/DNs/DCs).

We plan to seek approval from FC to expand the ambit of KGFRS and to implement the grandfathering arrangement.

Financial implications

12. To implement the proposed changes to the financial assistance schemes to service providers and parents, an annual financial provision of about \$428 million (i.e. \$344 million on provision of CCCFAS, and \$84 million on provision for 5% subsidy, reimbursement of rent, rates and government rent and other charges) currently under SWD will be transferred to EMB.

13. The grandfathering arrangement for existing CCCFAS recipients who would otherwise receive less assistance under KGFRS requires an additional expenditure of around \$80 million in the initial six years of harmonisation. The expansion of the scope of financial assistance under KGFRS to cover assistance for meal charges, air-conditioning fees and children aged 3-6 attending half-day CCCs which are currently not covered under CCCFAS, requiring an additional expenditure of about \$29 million per annum. The replacement of the 5% subsidy to CCCs by KSS requires an additional expenditure of about \$14 million per annum. The total expenditure on pre-primary services after harmonisation is subject to changes in prices and children population. EMB aims to seek Finance Committee's approval for accepting the financial implications of the proposed changes to the said financial assistance schemes.

Consultation and Publicity

14. The SWAC and EC were updated of the latest progress on harmonisation at its meeting on 7 February and 24 February 2005 respectively, and they were in support of the proposal to implement the harmonisation from the 2005/06 school year.

15. A joint briefing was held on 23 December 2004 by SWD and EMB to update the pre-primary services sectors on the progress to implement the harmonisation measures in the 2005/06 school year. Though there are still some concerns on the implementation details of the harmonisation exercise, the sectors have renewed their support to implement the harmonisation measures from the 2005/06 school year. The Administration will continue to update the sectors on the implementation details and explain the impacts on them. More briefing sessions have been scheduled in March and April to inform the pre-primary sectors on the implementation details. A steering committee will also be formed with representatives from the pre-primary services sectors to steer the progress of harmonisation of pre-primary services in April 2005.

Way Forward

16. We plan to submit the legislative amendment proposals to the LegCo and seek the approval of the Finance Committee before the start of the 2005/06 school year to implement the harmonisation measures as set out in this paper.

Education and Manpower Bureau
Health, Welfare and Food Bureau
Social Welfare Department
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Major Harmonisation Proposals

(a) Governance of Pre-primary Services

- The minimum age for kindergarten (KG) education should remain at 3. KGs, serving children aged 3 to 6, will continue to be monitored by the Education & Manpower Branch (EMB) under the Education Ordinance (EO).
- Child care centre (CCC) service will be redefined as institutions providing care and supervision to children aged below 3 and continued to be regulated by Social Welfare Department (SWD) through the Child Care Services Ordinance (CCSO). In other words, the definitions of “kindergarten” and “child care centre” will refer to the services for “3-6 years” and “below 3 years” respectively. KGs and CCCs may operate in the same premises for children aged 0 to 6 or 2 to 6. They will be dually registered under EO and CCSO and monitored by a Joint Office, to be staffed by both SWD and EMB, under the management of EMB.

(b) Quality of Pre-primary Services

Staff to children ratio

- The improved ratio of teacher to children at 1:15 has been fully implemented in KGs since the 2003/04 school year.
- To align the requirements between CCCs and KGs and to maintain the recently adjusted staff to children ratio in KGs, the minimum ratio of 1:15 for children aged 2 to 6 years will be adopted by CCCs and KGs upon implementation of the harmonisation proposals. Operators are free to adopt a more generous ratio.
- The minimum ratio of child care worker to children aged 0 to 2 will remain unchanged at 1:8 to ensure greater care and attention to children of younger age.

Child Care Workers and Kindergarten Teachers

- All serving and trained Child Care Workers (CCWs) and Qualified KG Teachers (QKTs) will be mutually recognized respectively as QKTs and CCWs by EMB and SWD without further qualification assessment or requirement of attending conversion courses to ensure their livelihood upon implementation of harmonisation proposals.
- Existing service coordinators of CCCs subvented by SWD will be

grandfathered till their retirement/resignation.

- The minimum standard requirement for KG-cum-CCC is one supervisor who can either be a registered child care supervisor or a kindergarten principal.

Quality Assurance for KGs and CCCs

- The performance indicators applicable to KGs will also be applied to KG-cum-CCCs (aged 0/2-6) as well, i.e. there will be only one performance assessment system in order to eliminate inconvenience and confusion to the sector.

(c) Financial Assistance Schemes

Assistance to Parents

- One single means-tested mechanism should be adopted to determine financial assistance to all pre-primary children. The ambit of the Kindergarten Fee Remission Scheme (KGFRS) applicable to KG children will replace the existing Child Care Centre Fee Assistance Scheme (CCCFAS) and be expanded to cover children attending CCCs. Full day rate of fee remission for all pre-primary children is only payable upon proof of 'social needs'. Children aged 3-6 attending half-day CCCs now not eligible for financial assistance under the CCCFAS will become eligible under the new arrangement.
- The "no worse-off" principle will apply to beneficiaries of the existing KGFRS and CCCFAS till their promotion to primary school and they will enjoy this grandfathering arrangement despite their changing pre-primary institutions during the transition.

Assistance to Service Providers

- The 5% Subsidy Scheme for CCCs will no longer be in place. The ambit of the Kindergarten Subsidy Scheme (KSS) should be expanded to cover CCCs. The rate of subsidy for children aged 2 to 6 will be based on groups of fifteen children or part thereof, while that for children aged 0 to 2 will be based on groups of eight children or part thereof, taking full account of the statutory staff to children ratio of 1:8 applicable to day crèches for children aged 0 to 2.