

立法會
Legislative Council

LC Paper No. CB(2)18/06-07
(These minutes have been
seen by the Administration)

Ref : CB2/PL/ED

Panel on Education

**Minutes of special meeting
held on Friday, 21 July 2006 at 2:54 pm
in the Chamber of the Legislative Council Building**

- Members present** : Dr Hon YEUNG Sum (Chairman)
Hon CHEUNG Man-kwong
Hon LEUNG Yiu-chung
Hon Jasper TSANG Yok-sing, GBS, JP
Hon Emily LAU Wai-hing, JP
Hon Andrew LEUNG Kwan-yuen, SBS, JP
Dr Hon Fernando CHEUNG Chiu-hung
- Members attending** : Hon LEE Cheuk-yan
Hon Albert CHAN Wai-yip
- Members absent** : Hon Audrey EU Yuet-mee, SC, JP (Deputy Chairman)
Hon Mrs Selina CHOW LIANG Shuk-ye, GBS, JP
Hon MA Lik, GBS, JP
Hon Patrick LAU Sau-shing, SBS, JP
- Public Officers attending** : Item I

Mr CHENG Man-yiu, JP
Deputy Secretary for Education and Manpower (3)

Miss Vivian LAU Lee-kwan
Deputy Secretary for Education and Manpower (6)

Mr LI Wing
Controller, Student Financial Assistance Agency

Item II

Mr Andrew POON Chung-shing
Principal Assistant Secretary (Quality Assurance)

Mr LI Wing
Controller, Student Financial Assistance Agency

Mr CHAN Hung-to
Senior Education Officer (Joint Office for Pre-primary
Services)

Item III

Mrs Betty FUNG
Deputy Secretary for Education and Manpower (1),
Education and Manpower Bureau

Ms Rosanna LAW
Assistant Director-General of Trade and Industry
(Multilateral), Trade and Industry Department

**Attendance by
invitation** : Item II

Hong Kong Professional Teachers' Union

Ms YUNG Hau-heung
Spokesperson on Early Childhood Education

The Salvation Army

Ms Christie CHAN
Coordinator for Pre-School Education

Ms NG Yin-kam
Assistant Coordinator for Pre-School Education

Hong Kong Kindergarten Association

Ms LAN Suet-mui
President

Ms LIU Fung-heung
Vice-Chairperson

Hong Kong Institute of Education Past Student's
Association of Early Childhood Teacher Education Ltd

Mrs MAK TSE How-ling
Chairman

Mrs MAK LEUNG Shuk-woon
Vice-Chairman

The Hong Kong Council of Social Service

Mr Ken CHAN
Chief Officer

Ms Klare CHAN
Officer

Hong Kong Federation of Education Workers

Ms SZTO Yuk-lin
Vice-Chairman, Committee of Early Childhood
Education

Hong Kong Early Childhood Educators Association

Ms CHOW Wai-chun
Chairman

Ms LEUNG Pik-lin
Vice-Chairman

Council of Non-Profit Making Organization for
Pre-Primary Education

Ms LAU Yin-king
Secretary

Ms WONG Pui-lai
Executive Committee Member

The Non-Profit-Making Kindergarten Council of Hong Kong

Ms Harlanna YEUNG Chui-chun
Chairman

Ms CHENG Sau-yan
Vice-Chairman

Hong Kong Baptist Kindergarten Education Convention Ltd

Ms CHAN Tsui-yuk
Principal

Alumni Association of Pre-School Education Administration and Management Course – SPACE, The University of Hong Kong

Ms LAM King-mei
Academic Member

Ms CHEONG Un-i
Academic Member

Tai Po Early Childhood Education Principal Association

Ms KWOK Chor-kiu
Chairman

Ms CHAN Wai-ling
Vice-Chairman

Hong Kong Teachers' Association

Ms CHAN Shun-lai
Secretary (Kindergarten Schools Group)

Ms NG Lan-fong
Member

Education Convergence

Ms Bessie LAU
Convener of Pre-School Education

Hong Kong Kowloon and New Territories
Kindergarten Education Advancement Association

Ms CHAU Choi-ngo
Chairman

Ms KWAN Bick-kuen
Vice-Chairman

S.K.H. Kindergarten and Nursery Council

Ms CHOW Wai-king
Chairman

Ms CHEUNG Chui-wah
Vice-Chairman

Hong Kong Society for the Protection of Children

Miss YIM Wai-man
Service Co-ordinator

Miss CHAN Hoi-kwan
Service Co-ordinator

Hong Kong Baptist University Early Childhood
Education Society

Miss CHAN Hang
President

Item III

Hong Kong Professional Teachers' Union

Mr FUNG Wai-wah
Vice-President (Internal Affairs)

Hong Kong People's Alliance on Globalization

Mr POON Man-hon
Representative

Hong Kong Confederation of Trade Unions

Mr MUNG Siu-tat
Coordinating Secretary

The Student Union of The Chinese University of Hong Kong

Mr LI Yiu-kee
External Vice-President

Mr LAU Ka-lun
Vice-President

Neighbourhood and Workers' Service Centre

Mr WONG Yun-tat
Community Affairs Officer

Hong Kong Federation of Students

Mr LEE Ching
Representative

Mr LAU Fong
Representative

The Chinese University of Hong Kong Employees
General Union

Miss NG Hiu-chun
President

Hong Kong University of Science and Technology
Students' Union

Mr Steven PANG Ka-ho
External Vice-President

Federation of Hong Kong Higher Education Staff
Associations

Mr CHAN Che-wai
Vice-Chairman

Hong Kong Baptist University Faculty And Staff Union

Dr CHAN Sze-chi
Executive Committee Member

Clerk in attendance : Miss Odelia LEUNG
Chief Council Secretary (2)6

Staff in attendance : Mr Stanley MA
Senior Council Secretary (2)6

Ms Katherine YEUNG
Legislative Assistant (2)6

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I. Proposed revision of senior secondary school fees

Deputy Secretary for Education and Manpower (3) (DS(EM)3) introduced the Administration's supplementary notes on "Revision of senior secondary school fees" [LC Paper No. CB(2)2796/05-06(01)] and paper on "Review of the means test for student financial assistance schemes" [LC Paper No. CB(2)2796/05-06(02)].

2. Members noted the background brief prepared by the Legislative Council (LegCo) Secretariat entitled "Senior secondary school fees" [LC Paper No. CB(2)2276/05-06(10)].

Revision of secondary school fees

3. Mr CHEUNG Man-kwong pointed out that taking into account the current unit costs and an annual increase of \$350, secondary school fees would have to be increased over four to six consecutive years in order to achieve 18% of the unit costs for Secondary Four (S4) and S5 (about \$35,000), and S6 and S7 (about \$59,000) classes respectively. In anticipation of the increase of the unit costs arising from the implementation of the new academic structure in the 2009-10 school year, Mr CHEUNG assessed that a family with two children attending senior secondary classes would need to pay school fees of around \$17,000 a year. To achieve the 18% cost-recovery target under the new academic structure, secondary school fees would need to be increased by \$350 each year for a period of eight to 10 consecutive years. Mr CHEUNG considered such an extent of increase would add substantial financial burden to low income families. He suggested that the Administration should reduce the amount and extend the period of increase to mitigate the financial impact on

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these families, and consult the public on the proposed increases each year before implementation. In this connection, the Chairman asked whether the Administration would set out for public reference the target as well as the existing and new cost-recovery rates in its proposal for annual revision of secondary school fees.

4. DS(EM)3 responded that the Administration would continue to review and revise the secondary school fees each year with a view to achieving the 18% cost-recovery target before the implementation of the new academic structure in the 2009-10 school year. The Administration had and would continue to set out the existing and new secondary school fees and the respective cost-recovery rates in its proposal for revision of school fees and consult the school sector and the Panel.

5. Dr Fernando CHEUNG noted that in computing the average unit cost under the new academic structure, the costs of both ordinary and special school education would be aggregated, and students in both ordinary and special schools at the same level of study would pay the same level of school fee. He considered that the Administration should revert to the Panel when the average unit costs of the new senior secondary education were available. He added that the Administration should also adjust the university fees in compliance with the 18% cost-recovery policy.

6. Mr LEUNG Yiu-chung expressed objection to the proposed increase of school fees by \$350 in the 2006-07 school year. He considered that the Administration should review the policy to recover 18% of the total recurrent cost for provision of secondary school education in the long term, having regard to the increase of recurrent costs under the new academic structure. He pointed out that apart from school fees, parents would have to buy the necessary text books and pay the public examination fees which would also be increased in the 2006-07 school year. He was concerned that low-income families with two children attending senior secondary classes would have difficulty to cope with the increases of school fees in the years ahead.

7. The Chairman requested the Administration to consider members' suggestion to reduce the yearly increase and extend the period of time for achieving the 18% cost recovery target in its review for revision of school fees for the 2007-08 school year, and consult the Panel in due course. DS(EM)3 responded that the Administration would take note of members' views in its review on revision of senior secondary school fees for the 2007-08 school year.

Fee remission and review of the means test for student financial assistance schemes

8. Ms Emily LAU enquired about the results of the comprehensive review on the student financial assistance schemes administered by the Student

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Financial Assistance Agency (SFAA), and the improvements, if any, in the provision of financial assistance to needy families and students.

9. DS(EM)3 replied that the Government's policy was to ensure that no students would be deprived of education for lack of means. The Administration would give due regard to parent's affordability in revision of secondary school fees. Needy students would be assisted under the fee remission scheme administered by SFAA. To ensure that students in need would not be affected by the revision, the level of maximum assistance provided under the scheme would be increased by the same amount in the 2006-07 school year.

10. DS(EM)6 explained that the Administration had completed the comprehensive review on the provision of financial assistance to students. She briefed members on the findings of the review on the means-test for student financial assistance schemes administered by SFAA as detailed in LC Paper No. CB(2)2796/05-06(02). She highlighted that based on the application data under the SFAA Schemes for pre-primary, primary and secondary students in the 2004-05 school year, the overall weighted difference between the "adjusted" monthly income ceiling for full grant assistance under the SFAA schemes and the monthly average payment under the Comprehensive Social Security Assistance (CSSA) Scheme was only \$170 (1.7%).

11. Dr Fernando CHEUNG remarked that families under the CSSA Scheme would be reimbursed with the full school fees. He suggested that the Administration should review the monthly income ceiling for full grant under the SFAA schemes with a view to improving the provision of financial assistance to families with an income level slightly above the maximum ceiling. He considered that the eligibility criteria under the SFAA schemes should be less stringent than those under the CSSA Scheme.

12. DS(EM)6 responded that SFAA Schemes and CSSA Scheme served different policy purposes and hence had different features. A broad comparison suggested that SFAA schemes were more relaxed than the CSSA Scheme. For instance, SFAA schemes applicable to pre-primary, primary and secondary students were not subject to any asset test, while CSSA applicants had to undergo an asset test, under which the asset limit for a four able-bodied family was \$58,000.

II. Kindergarten and Child Care Centre Fee Remission Scheme
[LC Paper Nos. CB(2)2796/05-06(03) and (04)]

13. Members noted the background brief entitled "Financial assistance to pre-primary service providers and parents of children receiving pre-primary

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services” prepared by the LegCo Secretariat.

14. The Chairman informed the meeting that at the meeting on 10 April 2006, the Panel had requested the Administration to remove the social needs test from the Kindergarten and Child Care Centre Fee Remission Scheme (KCFRS). In its paper for this meeting [LC Paper No. CB(2)2796/05-06(03)], the Administration indicated that Education and Manpower Bureau (EMB) was conducting a comprehensive review on pre-primary education (the Review), including the provision of financial assistance to parents. The Administration considered it undesirable to make piecemeal changes before the Review was completed. In the interim, the Administration had modified the social needs assessment criteria and streamlined the administrative arrangements of the KCFRS as detailed in paragraph 7 of the Administration’s paper.

15. The Chairman pointed out that at the meeting on 12 June 2006, the Administration informed members that it had consulted the pre-primary sector on the priorities for allocation of resources for pre-primary education in the future. Both EMB and the pre-primary sector considered it more appropriate to consider the social needs test in KCFRS in the context of the Review. Members considered it necessary to invite the deputations attending the meeting on 10 April 2006 to state their current stance on the matter.

Oral presentation by deputations

Hong Kong Professional Teachers’ Union

[LC Paper Nos. CB(2)1667/05-06(05) and CB(2)2805/05-06(01)]

16. Ms YUNG Hau-heung presented the views of the Hong Kong Professional Teachers’ Union as detailed in its submission for the meeting. She highlighted that the Union had conducted an opinion survey of the principals of 731 kindergartens and 383 child care centres on the need and criteria of the social needs test in June and July 2006. Of the 185 respondents, 158 (85.4%) indicated support for the removal of the social needs test from KCFRS as soon as possible; 25 (13.5%) made no response; and two (1.08%) expressed objection. The survey concluded that the principals in the pre-primary sector shared the Panel’s view that the Administration should remove the social needs test as soon as possible.

The Salvation Army

[LC Paper No. CB(2)2825/05-06(01)]

17. Ms Christie CHAN presented the views of the Salvation Army as detailed in its submission. She highlighted that the Salvation Army supported the retention of social needs test under KCFRS at this stage to ensure that resources were allocated to support the needy families and the improvement measures in administering KCFRS in paragraph 7 of the Administration’s

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paper. The Salvation Army suggested that EMB should modify the application form in the light of the improvement measures and speed up the vetting process for reimbursement of fees to parents. The Salvation Army also requested EMB to prepare and make available minutes of its meetings with pre-primary institutions to facilitate implementation of the modified assessment criteria and simplified administrative arrangements of the KCFRS by the frontline staff concerned.

Hong Kong Kindergarten Association

[LC Paper Nos. CB(2)1667/05-06(07) and CB(2)2825/05-06(02)]

18. Ms LAN Suet-mui presented the views of the Hong Kong Kindergarten Association as detailed in its submission. She highlighted that the Administration should remove the social needs test from KCFRS immediately. The Association considered that the social needs test was imposed in the early 1980s and had become obsolete in the light of changing social circumstances. The Administration should take out the social needs test from KCFRS to assist more low income families in pursuit of whole-day pre-primary education for their children, hence promoting enrolment and improving retention of pupils in kindergartens.

Hong Kong Institute of Education Past Student's Association of Early Childhood Teacher Education

[LC Paper No. CB(2)1677/05-06(01)]

19. Mrs MAK TSE How-ling presented the views of the Hong Kong Institute of Education Past Student's Association of Early Childhood Teacher Education as detailed in its submission. She highlighted that the Association appreciated that the Administration had modified the social needs assessment criteria and streamlined the administrative arrangements of KCFRS. The Association, however, considered it necessary to remove the social needs test from KCFRS as soon as possible as it would help encourage more parents to send their children to whole-day kindergartens. The Association considered whole-day pre-primary schooling more appropriate for children, and should be implemented in line with whole-day primary schooling.

The Hong Kong Council of Social Service

[LC Paper Nos. CB(2)1677/05-06(02) and CB(2)2825/05-06(03)]

20. Ms Klare CHAN presented the views of the Hong Kong Council of Social Service as detailed in its submission. She highlighted that the Council appreciated that the Administration had modified the social needs assessment criteria and streamlined the administrative arrangements of KCFRS, and supported the inclusion of social needs test in the Review. The Council suggested that the Administration should extensively consult the pre-primary sector in the course of the Review, with emphasis on enhancing support for

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needy families and quality of pre-primary education.

Hong Kong Federation of Education Workers
[LC Paper No. CB(2)1707/05-06(02)]

21. Ms SZTO Yuk-lin said that the Hong Kong Federation of Education Workers supported the retention of the social needs test in KCFRS to enhance cost-effective use of available resources. The Federation appreciated that the Administration had modified the social needs assessment criteria and streamlined the administrative arrangements of KCFRS. The Federation requested EMB to coordinate with the Social Welfare Department (SWD) to ensure consistent implementation of the modified criteria and simplified arrangements by frontline staff. More importantly, the Administration should ensure a fair and reasonable allocation of the available resources for pre-primary education to support development of kindergartens and professional development of teachers.

Hong Kong Baptist Kindergarten Education Convention

22. Ms CHAN Tsui-yuk said that the Hong Kong Baptist Kindergarten Education Convention insisted on the removal of the social needs test from KCFRS. The Convention considered that parents should be given the choice to send their children to whole-day or half-day pre-primary education. The eligibility criteria after removal of the social needs test should be sufficient to maintain cost-effective utilisation of KCFRS.

Hong Kong Early Childhood Educators Association
[LC Paper Nos. CB(2)1684/05-06(01) and CB(2)2825/05-06(04)]

23. Ms LEUNG Pik-lin presented the views of the Hong Kong Early Childhood Educators Association as detailed in its submission. She highlighted that the Association welcomed the Administration's undertaking to modify the social needs assessment criteria and streamline the administrative arrangements of KCFRS. The Association requested the Administration to consult the key stakeholders and complete the Review in three to six months, and allocate additional resources for enhancing the quality of pre-primary education. As regards KCFRS, the Administration should review the eligibility criteria, including the social needs test, with the aim of providing sufficient support to low income families. The Administration should simplify the application procedures and arrangements for reimbursement of fees to parents.

Council of Non-Profit Making Organisation for Pre-primary Education
[LC Paper Nos. CB(2)1684/05-06(04) and CB(2)2805/05-06(02)]

24. Ms LAU Yin-king presented the views of the Council of Non-Profit

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Making Organisation for Pre-primary Education as detailed in its submission. She highlighted that the Council welcomed the Administration's undertaking to modify the social needs assessment criteria and streamline the administrative arrangements of KCFRS. The Council, however, requested the Administration to review the eligibility criteria, including the social needs test under KCFRS, with the aim of providing sufficient support to low income families, and simplifying the procedures for application and reimbursement of fees to parents. The Council also requested the Administration to consult the pre-primary sector and complete the Review in three to six months. The Council considered that additional resources should be allocated for enhancing the quality of pre-primary education.

*The Non-Profit-Making Kindergarten Council of Hong Kong
[LC Paper No. CB(2)1684/05-06(03)]*

25. Ms Harlanna YEUNG said that the views of the Non-Profit-Making Kindergarten Council of Hong Kong were detailed in its submission for the meeting on 10 April 2006. She highlighted that children had the right to receive free and quality pre-primary education. The Administration should remove the social needs test from KCFRS in the short term and provide free pre-primary education in the long term. She pointed out that only around 12%-13% pupils in kindergartens attended whole-day schooling before harmonisation of pre-primary services, i.e. when the social needs test was not applicable under the former Kindergarten Fee Remission Scheme. The Administration should remove the social needs test and let parents decide whether their children should attend whole-day or half-day pre-primary schooling in the light of their needs and circumstances.

*Alumni Association of Pre-school Education Administration and Management
course – SPACE, The University of Hong Kong
[LC Paper No. CB(2)1684/05-06(02)]*

26. Ms LAM King-mei said that the provision of quality pre-primary education was essential for the all-round development of children and the development of abilities for lifelong learning during their early ages. The Administration should speed up the Review including the social needs test in KCFRS, and provide sufficient resources and professional development opportunities for teachers in preparation for the implementation of free whole-day pre-primary schooling in the future.

*Tai Po Early Childhood Education Principal Association
[LC Paper No. CB(2)1667/05-06(06)]*

27. Ms KWOK Chor-kiu said that some children had the need to attend whole-day pre-primary schooling, but were sent to half-day kindergartens as their families were unable to pass the social needs test for the provision of

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full-day grant. Many of these children lived in public housing estates, and some of them were left on their own in afternoons and subsequently became youths at risk. The Tai Po Early Childhood Education Principal Association urged the Administration to review and remove the social needs test from KCFRS with a view to helping more needy families and their children in pursuit of whole-day pre-primary schooling.

Hong Kong Teachers' Association
[LC Paper No. CB(2)1707/05-06(03)]

28. Ms CHAN Shun-lai said that the Hong Kong Teachers' Association welcomed the Administration's undertaking to modify the social needs assessment criteria and streamline the administrative arrangements of KCFRS. The Association considered that resources allocation for the pre-primary sector had hitherto been extremely inadequate. The Association requested the Administration to review the social needs test in KCFRS and provide financial assistance to more families in need, and formulate policies to ensure a fair and reasonable balance in the allocation of resources to support the stakeholders in the pre-primary sector,

Hong Kong Kowloon and New Territories Kindergarten Education Advancement Association
[LC Paper Nos. CB(2)1707/05-06(08) and CB(2)2805/05-06(03)]

29. Ms CHAU Choi-ngo presented the views of the Hong Kong Kowloon and New Territories Kindergarten Education Advancement Association as detailed in its submission. She highlighted that the Association supported removing the social needs test from KCFRS to assist more children of needy families to pursue whole-day or half-day kindergarten education. Given the declining pupil population in recent years, many kindergartens were under-enrolled and encountered financial problems in operation. The Administration should increase resources allocation for the pre-primary sector to enhance teachers' profession development and quality of pre-primary education, as well as to reinforce parent education in support of student learning at home.

Education Convergence
[LC Paper No. CB(2)1707/05-06(05)]

30. Ms Bessie LAU said that the Education Convergence welcomed the provision of more flexibility in vetting applications for fee remission to needy families, which should include the consideration of the recommendations of kindergarten principals and social workers in support of the applications. The Education Convergence requested the Administration to extensively consult the pre-primary sector and complete the Review as soon as possible, and increase resources allocation to support the development of pre-primary education in the

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long term.

S.K.H. Kindergarten and Nursery Council

[LC Paper Nos. CB(2)1707/05-06(04) and CB(2)2825/05-06(05)]

31. Ms CHEUNG Chui-wah presented the views of the S.K.H. Kindergarten and Nursery Council as detailed in its submission. She highlighted that the Council welcomed the relaxation in assessment of the social needs of applicant families under KCFRS. Nevertheless, the Council requested the Administration to remove the social needs test and provide a choice for parents to decide whether to send their children to attend whole-day or half-day pre-primary education in the light of individual needs and circumstances.

Hong Kong Society for the Protection of Children

[LC Paper Nos. CB(2)1707/05-06(06) and CB(2)2825/05-06(06)]

32. Miss CHAN Hoi-kwan presented the views of the Hong Kong Society for the Protection of Children as detailed in its submission. She highlighted that the imposition of social needs test under KCFRS had created unnecessary obstacles for needy families in seeking full-day fee assistance and additional administrative workload for social workers. The Society suggested that the Administration should expedite the completion of the Review; relax the social needs assessment criteria and increase the level of fee remission under KCFRS to assist low income families; and provide a social worker in each pre-primary institution providing full-day services.

Hong Kong Baptist University Early Childhood Education Society

[LC Paper No. CB(2)1730/05-06(01)]

33. Miss CHAN Hang said that the Hong Kong Baptist University Early Childhood Education Society suggested that the Administration should review the vetting procedures with a view to ensuring the proper use of public resources to assist families with genuine financial difficulty in pursuit of pre-primary education. The Society shared the view that the Administration should consider the recommendations of kindergarten principals on the need of individual applicants for fee assistance.

Other submission received

[LC Paper No. CB(2)2825/05-06(07)]

34. Members noted the submission from OMER World Organisation for Early Childhood Education.

The Administration's response

35. The Chairman said that deputations in general welcomed the recent

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relaxation in social needs assessment criteria and improvements in administrative arrangements of KCFRS. Some deputations had urged the Administration to remove the social needs test from KCFRS and expedite the completion of the Review to facilitate policy formulation and provision of additional resources for the long-term development of pre-primary education. He asked when the Administration would complete the Review and decide whether the social needs test should be removed from KCFRS.

36. In response, Principal Assistant Secretary (Quality Assurance) PAS(QA) said that the Administration would continue to consult the key stakeholders in the course of the Review and the Review would be completed on or before mid-2007. In the interim, the Administration would exercise more flexibility in assessing the social needs of applicant families, simplify the application procedures and improve the administrative arrangements under KCFRS. EMB would coordinate with SWD for implementation of the improvement measures as detailed in paragraph 7 of the Administration's paper. EMB estimated that some 80% unsuccessful applications for full-day fee assistance would become eligible under the modified assessment criteria.

37. PAS(QA) further said that EMB had conducted a series of discussions with pre-primary institutions and the sector on the future development of pre-primary education since September 2005. The Review aimed to formulate policies for the provision of additional courses to pre-primary teachers, and support to parents in helping their children to learn in order to enhance quality of pre-primary education in the longer term. Operational issues in individual pre-primary institutions such as under-enrolment were not included in the Review. Before the completion of the Review, the Administration considered it undesirable to make piecemeal changes to KCFRS.

Discussion

Removal of social needs test from KCFRS

38. Mr CHEUNG Man-kwong said that parents would send their children to whole-day or half-day kindergartens in the light of their family needs and circumstances. They had not and would not send their children to whole-day kindergartens for the sake of getting the full-day fee assistance under KCFRS. As a matter of fact, only a small percentage of children attended whole-day kindergartens in the past. Since 80% unsuccessful applicants would become eligible for full-day fee assistance under the modified assessment criteria and considering the administrative work on the part of parents, schools and EMB in the application and vetting process, the Administration should remove the social needs test so that the remaining 20% applicants would also be given the full-day fee assistance. Mr CHEUNG considered that there was no need to link the removal of the social needs test from KCFRS with the Review.

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Although there were diverse views on the matter, no deputations would oppose the removal of social needs test from the 2006-07 school year.

39. PAS(QA) responded that the policy on inclusion of social needs test under KCFRS upon harmonisation of pre-primary services was concluded after a series of consultations with the pre-primary/early childhood education sector since April 2002 and the Panel at its meetings on 13 February 2003 and 14 May 2005, and the provisions for KCFRS were finally approved by the Finance Committee on 24 June 2005 for implementation from the 2005-06 school year. He pointed out that only 4%-7% of the pupils in kindergartens attended whole-day schooling in the past three school years. The Administration considered it undesirable to change the policy and remove the social needs test from KCFRS at this stage.

40. Mr CHEUNG Man-kwong remarked that the Review would not affect the existing provision of whole-day pre-primary schooling and full-day fee assistance to needy parents. Given the small proportion of pupils attending whole-day pre-primary schooling, the removal of the social needs test from KCFRS in the 2006-07 school year should not affect the subvention for pre-primary institutions. He asked why the Administration had been so insistent on retaining the social needs test in KCFRS in the 2006-07 school year.

41. The Chairman said that the relaxation in assessment criteria had considerably expanded the scope of the eligibility criteria for provision of full-day fee assistance, but created additional workload for the social workers involved. The Administration should consider removing the social needs test to benefit more needy families and eliminate the administrative work on the part of the stakeholders concerned.

42. PAS(QA) responded that the current policy was to implement whole-day schooling in primary and secondary education. From an educational point of view, children aged below six should preferably attend education on a half-day basis in schools, and spend more time on other related learning activities with their parents and families. The provision of full-day kindergartens and child care centres was to add further care in response to social needs or parental choice. The full-day rate of fee remission should therefore be given when the applicant families had passed the social needs test. He added that more flexibility in assessing the social needs of applicant families was made on this basis.

43. Referring to the submission from Hong Kong Society for the Protection of Children, Mr LEUNG Yiu-chung and Dr Fernando CHEUNG said that it was unacceptable that the number of families in receipt of financial assistance had significantly decreased after harmonisation of pre-primary services. They requested the Administration to respond to the allegation that many parents

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were forced to send their children to half-day kindergartens as they were unable to pass the social needs test, and if the allegation was true, state the remedial measures to rectify the situation. Ms Harlanna YEUNG cited her experience to illustrate the existence of such cases in kindergartens after harmonisation.

44. PAS(QA) responded that the Administration had no statistics on children who were sent to half-day kindergartens solely because their families were unable to pass the social needs test. He could not comment on the remarks made by the HK Society for the Protection of Children. He explained that it would be practically difficult for the Administration to compile statistics on the decision or preference of individual families to send their children to whole-day or half-day pre-primary institutions. He pointed out that there were many non-government organisations providing various types of pre-primary services for needy families with children below the age of six. Although the Administration would not remove the social needs test from KCFRS in the 2006-07 school year, the Administration had undertaken to include the social needs test in the Review.

45. Mr LEUNG Yiu-chung expressed disappointment that all along, the Administration had no intention to remove the social needs test from KCFRS. Dr Fernando CHEUNG said that at least four deputations named by the Administration as supporting the inclusion of the social needs test in the Review had expressed objection to the retention of the social needs test in KCFRS. Mr Albert CHAN said that given the fiscal surplus of \$16 billion in the 2005-06 financial year, the Government should provide free whole-day pre-primary schooling and the social needs test would become obsolete.

46. The Chairman reiterated that the Panel had urged the Administration to remove the social needs test from KCFRS at the meeting on 10 April 2006. The stance of the Panel remained unchanged. Ms Emily LAU added that pre-primary institutions should refer cases of parents who had sent their children to half-day kindergarten because they were unable to pass the social needs test to the Complaints Division of the LegCo Secretariat for follow-up.

Late reimbursement of fees to parents

47. Dr Fernando CHEUNG said that the Administration should listen to the views of deputations about the delay in reimbursement of fees to parents. Mrs MAK TSE How-ling said that even though the kindergartens had confirmed their student enrolment to EMB in early September, some parents received the fee reimbursement as late as in November and December 2005. Dr CHEUNG suggested that the Administration should simplify the application and vetting procedures to speed up reimbursement of kindergarten fees to needy parents. To expedite the reimbursement of fees to successful family applicants, EMB should prepare and distribute minutes of its meetings with the stakeholders on the matter to the frontline staff for reference.

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48. Controller, Student Financial Assistance Agency (C(SFAA)) explained that the vetting process under KCFRS normally started when the school year of the pre-primary institutions commenced in August or September each year. Since harmonisation of pre-primary services was only effected in the 2005-06 school year, additional efforts and time were required in the vetting process. There were some delays in reimbursement of fees to parents in individual cases. He added that overall, some 56 000 families received financial assistance under KCFRS in the 2005-06 school year, representing a slight increase of 1-2% over the previous year. Ms Harlanna YEUNG remarked that deputations were concerned about the number of family applicants who were given full-day fee assistance before and after harmonisation of pre-primary services.

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49. The Chairman urged the Administration to simplify the arrangements and improve efficiency in vetting applications under KCFRS to expedite reimbursement of fees to parents. Dr Fernando CHEUNG requested SFAA to provide a breakdown of the number and amount of fee reimbursements to parents by months in the past few years. C(SFAA) agreed.

Whole-day pre-primary schooling

50. Mr LEUNG Yiu-chung said that the Administration should consider providing whole-day pre-primary schooling with an open mind, and take into account the learning needs of children and their family circumstances in formulation of long-term policies for the delivery of pre-primary education in pre-primary institutions. Dr Fernando CHEUNG expressed support and said that parents should be given a choice to send their children to whole-day kindergartens.

51. PAS(QA) responded that there were different theories and views on whether and how pre-primary education should be delivered on a whole-day or half-day basis. The results of a recent research suggested that children should preferably learn best in the support of their parents in home environments. The Administration would consider the views of the stakeholders including the pre-primary sector and parents on the future development of pre-primary education in the Review.

52. Mr Albert CHAN suggested that similar to the provision of whole-day primary schooling, the Administration should provide free whole-day pre-primary schooling in the light of the declining birth rate in recent years and under-enrolment in most kindergartens. He considered that whole-day pre-primary schooling would help children to develop their learning and social abilities, and enhance quality of pre-primary teachers and education. Ms Emily LAU expressed a similar view.

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53. PAS(QA) reiterated that the Review would aim to enhance the quality of pre-primary education, professional development opportunities for teachers and support to parents. He pointed out that pre-primary institutions were operated by non-profit-making providers which enjoyed a high degree of autonomy in management and operation of their pre-primary institutions. The Review would explore feasible policies and practical strategies for the enhancement of pre-primary education in the future.

54. Mr Albert CHAN remarked that similar to the Direct Subsidy Scheme in the primary and secondary sector, the Administration should work out a scheme to subsidize the operation of pre-primary institutions by way of recurrent grants and allow the sponsoring bodies to operate their pre-primary institutions with high level of autonomy.

55. Dr Fernando CHEUNG suggested that the Administration should establish an effective mechanism to consult the stakeholders on the provision of pre-primary education during the Review. PAS(QA) responded that EMB had mechanisms in place to consult the stakeholders in the pre-primary sector including service providers and parents, and would continue to consult them during the Review.

56. Ms Emily LAU expressed appreciation of the dedications and commitments of the pre-primary teachers in fostering the development of children. She considered that the pre-primary sector should express their views on the provision of whole-day pre-primary schooling for all children. Ms Harlanna YEUNG responded that pupils attending whole-day pre-primary schooling had more time to learn and interact with teachers and peers, and in general achieve better progress in academic and social performance.

57. The Chairman invited deputations to indicate whether they supported the provision of whole-day pre-primary schooling by a show of hands. In response, the majority of the representatives indicated support for whole-day schooling in pre-primary education. The Chairman requested the Administration to consider the views of deputations in the Review.

Provision of social worker in pre-primary institutions

58. Dr Fernando CHEUNG asked whether the Review would include the provision of a social worker in each pre-primary institution offering whole-day pre-primary services. PAS(QA) replied that the Administration would consider the views of deputations on the matter in the Review.

III. Liberalization of the provision of higher education under the World Trade Organization's General Agreement on Trade in Services
[LC Paper No. CB(2)2796/05-06(05)]

59. Members noted the Administration's paper entitled "Liberalisation of higher education services under the World Trade Organisation (WTO) General Agreement on Trade in Services (GATS)".

Oral presentation by deputations

Hong Kong Professional Teachers' Union
[LC Paper No. CB(2)2825/05-06(08)]

60. Mr FUNG Wai-wah presented the views of the Hong Kong Professional Teachers' Union as detailed in its submission. He highlighted that the Union opposed making any commitment on education services under GATS. The Union supported internationalisation in higher education, but considered it inappropriate to facilitate internationalisation by way of commitments under GATS. He pointed out that there was already fierce competition among the publicly-funded and self-financed sub-degree programmes in the market. Any further commitments in private higher education and other private education services under GATS might result in unforeseen adverse impacts on the existing operation of the sub-degree sector.

Hong Kong People's Alliance on Globalization
[LC Paper No. CB(2)2805/05-06(04)]

61. Mr POON Man-hon presented the views of the Hong Kong People's Alliance on Globalization as detailed in its submission. He highlighted the adverse implications of making commitments on education services under GATS on the long-term development and quality of higher education in Hong Kong, the right of students to enjoy equal opportunities to access higher education, staff remuneration systems and institutional autonomy in the higher education sector. He urged the Administration to consult thoroughly before making any commitment on education services under GATS.

Hong Kong Confederation of Trade Unions
[LC Paper No. CB(2)2796/05-06(06)]

62. Mr MUNG Siu-tat presented the views of the Hong Kong Confederation of Trade Unions as detailed in its submission. He highlighted that the Confederation opposed making any commitment under GATS as such commitments would mean relaxation on enrolment of non-local students which would affect local students' access to higher educations. He cited examples to illustrate that the Trade and Industry Department (TID) had underestimated the adverse implications of making commitments under GATS on protection of the

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interests of local students and workers in the higher education sector.

The Student Union of the Chinese University of Hong Kong

63. Mr LI Yiu-kee said that the Student Union of the Chinese University of Hong Kong opposed making any commitment on education services under GATS. The Union considered that Hong Kong already had in place a liberal private higher education regime which allowed overseas service providers to provide non-local courses in Hong Kong, but such liberalization in private higher education had resulted in over-supply of sub-degree courses and unfavourable competition among local and overseas institutions in the provision of post-secondary education.

Neighbourhood and Workers' Service Centre
[LC Paper No. CB(2)2825/05-06(09)]

64. Mr WONG Yun-tat presented the views of the Neighbourhood and Workers' Service Centre as detailed in its submission. He highlighted that the Centre absolutely opposed making any commitment on education services under GATS. The Centre considered that liberalisation of the provision of higher education under GATS would sacrifice the rights of students to higher education and jeopardise the interests of both academic and non-academic staff in the higher education sector.

Hong Kong Federation of Students

65. Mr LEE Ching said that the Hong Kong Federation of Students strongly opposed making any commitment under GATS to liberalize the provision of higher education in Hong Kong. The Federation considered that the Administration should protect the rights of students to access higher education, and refrain from making any commitments under GATS as such commitments would affect the interests of students, academic and non-academic staff in the higher education sector.

The Chinese University of Hong Kong Employees General Union
[LC Paper No. CB(2)2825/05-06(10)]

66. Miss NG Hiu-chun presented the views of the Chinese University of Hong Kong Employees General Union as detailed in its submission. She highlighted that the Administration should refrain from making any commitments on education services under GATS. The Union considered that such commitments would sacrifice the right of students to higher education and jeopardise the interests of academic and non-academic staff in the higher education sector.

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*Hong Kong University of Science and Technology Students' Union
[LC Paper No. CB(2)2825/05-06(11)]*

67. Mr Steven PANG presented the views of the Hong Kong University of Science and Technology Students' Union as detailed in its submission. He highlighted that the Union opposed making any commitment on education services under GATS as it would lead to the development of market-driven programmes and increase of tuition fees. The Union considered it inappropriate to sacrifice the right and interests of students to access post-secondary education in exchange for better terms and conditions in other areas of services negotiations

Federation of Hong Kong Higher Education Staff Associations

68. Mr CHAN Che-wai said that the Government should protect the interests of local students in access to quality higher education, as a steady supply of high calibre graduates from the sector was essential for the long-term development and competitiveness of Hong Kong in the global environment. For this purpose, the Administration should not make any commitments on education services under GATS to liberalise the provision of higher education in Hong Kong. He cited examples to illustrate how the implementation of the self-financing policy in the sub-degree sector had commercialised the supply of sub-degree programmes in the market and jeopardised the quality of sub-degree education.

Hong Kong Baptist University Faculty And Staff Union

69. Dr CHAN Sze-chi said that the Hong Kong Baptist University Faculty And Staff Union opposed making any commitment on education services under GATS. He cited overseas experience to illustrate how liberalisation of the provision of higher education would adversely affect the quality of higher education and the interests of local students, academic and non-academic staff in educational institutions.

*Other submission received
[LC Paper No. CB(2)2825/05-06(12)]*

70. Members noted the submission from the Democratic Alliance for the Betterment and Progress of Hong Kong.

The Administration's response

71. The Chairman asked whether the Administration would make commitments on education services in response to the collective requests from WTO Members. Assistant Director-General of Trade and Industry (Multilateral), Trade and Industry Department (ADG/TI(M)(TID) responded

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that the position of Hong Kong, China (HKC) on education services in the WTO negotiations were detailed in paragraphs 8 and 9 of the Administration's paper. She highlighted that the Administration had no plan to offer commitment for the time being. She assured members that in considering submission of commitment on education services under GATS, the Administration would bear in mind the existing education policies and regime. Even if HKC were to make any commitments on education services, such commitments would only apply to the private education sector, and would not go beyond the level of openness under the existing regime; and such commitments would not affect the publicly-funded education institutions or jeopardize the employment of their staff.

72. ADG/TI(M)(TID) further said that negotiations in the WTO on education services had not advanced much during the last few years. So far, only a few WTO Members had offered commitments on certain education services. Pursuant to the timeline stipulated in the Hong Kong Ministerial Declaration (HKMD) adopted in December 2005, five WTO Members interested in education services tendered a collective request to 21 target Members including HKC on 13 March 2006, seeking commitments on private higher education and/or private other education services only. There was no request for liberalization in public education services which were different from private education services in the context of GATS.

73. ADG/TI(M)(TID) added that the Administration would adhere to the policy of HKC as a free port and trade partner providing WTO Members with fair and equal market access to various service sectors. In formulating HKC's offers for WTO services negotiations, the Administration's prime objective was to safeguard and pursue the overall economic interest of Hong Kong, including to secure the best possible market access for service suppliers, and to provide the best possible environment for Hong Kong to attract foreign investment. The Administration would exercise prudence in drawing up the services offers having due regard to Hong Kong's economic and social conditions. The same principle applied to all service sectors including education services.

74. DS(EM)1 supplemented that the policy of fostering the development of a self-financing sub-degree sector was formulated in 2000 having regard to the manpower needs of Hong Kong and had nothing to do with trade liberalisation or WTO service negotiations. The Administration was conducting a review and consulting the stakeholders on the policy and the future development of post-secondary education sector. She stressed that education remained the biggest item in Government's expenditure, and EMB would continue to provide resources to support the development of the post-secondary sector. As a WTO Member, HKC had the discretion to decide on the scope, the context and the conditions of its commitment, if any, to be made under GATS. In any circumstances, the Administration would not make any commitment on public education services as it might involve the use of public funds to

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subsidize non-local institutions.

Commitment on education services under GATS

75. Mr CHEUNG Man-kwong agreed that internationalisation in higher education was essential for the long-term development of higher education in Hong Kong as it would enhance knowledge transfer in a global context. He, however, stressed that the provision of higher education should not be used as a chip for bargaining in WTO negotiations. Most importantly, the Administration should enforce its undertaking that even if HKC were to make any commitments on education service, such commitment would only apply to private education providers within the level of openness of the existing regime, and would not affect the publicly-funded education institutions or jeopardize the employment of their staff. In this connection, he sought clarifications on the contents of the six sets of collective requests that HKC received in March 2006.

76. ADG/TI(M)(TID) explained that the six sets of collective requests sought HKC's further commitments in air transport services, architectural/engineering/integrated engineering services, construction and related engineering services, education services, legal services, and postal/courier services (including express delivery) in the context of the commitments made in the previous round of WTO services negotiations some 11 years ago. The Administration was consulting the relevant bureaux, departments and service sectors on the requests, and would not make any commitment before carefully considering the stakeholders' views and concerns.

77. Mr CHEUNG Man-kwong said that some providers of sub-degree programmes including University Grants Committee (UGC)-funded institutions were provided with public funds to cover the initial set-up costs and expenditure in preparation for the provision of self-financed sub-degree programmes, and that their students were eligible for financial assistance under various schemes operated by SFAA. He asked whether overseas institutions and non-local students in attendance of self-financed sub-degree programmes in Hong Kong could request or would become eligible for the provision of similar financial assistance should there be HKC's commitments on education services under GATS.

78. DS(EM)1 responded that the Administration had no plan to make any commitment on education services in WTO negotiations. Even if commitment were to be made, the Administration would carefully define the scope, the context and the conditions of such commitment, and make it clear that any government financial assistance would be applicable to local institutions and students only.

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79. Mr LEE Cheuk-yan and Dr Fernando CHEUNG remarked that in the face of a rapidly expanding sub-degree sector in which both self-financed and publicly-funded programmes were offered by private, subsidized and publicly-funded institutions, it had become increasingly difficult to draw a clear demarcation between public and private education services in the higher education sector.

80. ADG/TI(M)(TID) responded that the five WTO Members understood the difficulty in drawing a clear demarcation between private and public higher education in some situations. Nevertheless, if commitments on private education services were to be made, the Administration would set out the scope, the context and the conditions of such commitment in detail.

81. Mr LEE Cheuk-yan said that there was no guarantee that the Administration would not make any commitment on education services in future WTO negotiations. He requested the Administration to elaborate on the collective request for new or improved commitments on provision of private higher education from five WTO Members on 13 March 2006.

82. ADG/TI(M)(TID) responded that TID had provided the Hong Kong Confederation of Trade Unions and a number of labour unions with a summary of the collective request on private education services from five WTO Members on 13 March 2006. In brief, the five WTO Members requested for new and improved commitments on the provision of private higher education services without limitations on market access or national treatment on cross-border mode of supply (Mode 1); consumption abroad mode of supply (Mode 2); commercial presence mode of supply (Mode 3) other than scheduling a time-limited limitation in respect of foreign capital participation/shareholdings; and the movement of national person mode of supply (Mode 4) which allowed, subject to the relevant immigration requirements in force, natural persons who were education providers to enter.

83. Ms Emily LAU asked whether refusal to make any new or improved commitment on education services in the current round of WTO negotiations would result in any loss to HKC. DS(EM)1 replied that HKC would not suffer any loss for not making commitment on education services in the current round of WTO negotiations. Given the global recognition of the academic status of the UGC-funded institutions, there was no need to make commitment on education services for the sake of enhancing the competitiveness of local institutions in the international arena.

Public consultation

84. Mr LEE Cheuk-yan asked whether the Administration would conduct an extensive consultation before making any commitments on education services in future WTO negotiations. ADG/TI(M)(TID) responded that the

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Administration would conduct consultations in connection with the relevant bureaux.

85. Dr Fernando CHEUNG asked about the timetable for the current round of consultation on services negotiations under GATS. ADG/TI(M)(TID) replied that the WTO services negotiations were at its final stage and expected to conclude by end 2006 or early 2007. According to the timelines set in the HKMD adopted in December 2005, WTO Members were required to submit a second round of revised offers by 31 July 2006 and final offers of commitments by 31 October 2006.

86. Ms Emily LAU queried why the Administration had not consulted the Panel in respect of the WTO negotiations on education services. She also asked how TID had conducted the public consultations and formulated its strategies for the services negotiations under GATS. The Chairman echoed that the Administration should have consulted the Panel on WTO negotiations on education services.

87. DS(EM)1 explained that EMB had not consulted the Panel because it would not recommend any commitment on education services for the current round of WTO services negotiations. She assured members that EMB would consult the Panel before making any commitments on education services in WTO negotiations.

88. ADG/TI(M)(TID) said that WTO launched a new round of services negotiations in 2000. In response, the Government had conducted large-scale public consultation exercises in 2002 and 2005. The views collected had formed the basis for drawing up HKC's negotiation positions, as well as the requests and offers for improved liberalisation in trade in services. To further develop positions for the services negotiations, and to ensure that the prevailing interests of the community were represented, TID conducted a third round of public consultation from March to May 2006 covering some 400 organisations in various service sectors including education services. As an established practice, TID was also consulting the relevant bureaux/departments on how HKC should respond to requests from WTO Members. As consultation with bureaux and departments was still underway, Director-General of Trade and Development had not indicated any specific commitments that would be included in HKC's second revised offers so far. At Ms Emily LAU's request, ADG/TI(M)(TID) undertook to provide a list of organisations relevant to education services included in the third round of public consultation in respect of WTO services negotiations.

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[Post-meeting note : The Administration's response was circulated to members vide LC Paper No. CB(2)2996/05-06(01) on 7 September 2006.]

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IV. Any other business

89. There being no other business, the meeting ended at 6:07 pm.

Council Business Division 2
Legislative Council Secretariat
17 October 2006