

For circulation

**Panel on Education
Early Retirement Scheme
for Aided Secondary School Teachers**

Information Note

This note informs Members of the operation of the Early Retirement Ex-gratia Payment Fund for Aided Secondary School Teachers (the Fund) under the Early Retirement Scheme (the ERS).

2. The Finance Committee (FC) approved in July 2005 vide FCR(2005-06)25 a grant of \$520 million for establishing the Fund to operate the ERS for aided secondary school teachers for three school years from 2006/07 to 2008/09 primarily to resolve the problem of subject mismatch of teachers arising from implementation of the new senior secondary curriculum, and to alleviate the problem of teacher redundancy in secondary schools.

3. Up to September 2006, 180 secondary school teachers have joined the ERS. The total ex-gratia payment made from the Fund amounted to \$79 million, and the balance of the Fund as at 30 November 2006 stood at \$462 million, including \$21 million being the interest received.

4. We will continue to implement the ERS as needed with the remaining balance of the Fund and monitor the situation closely.

5. Members are requested to note the content of this paper.