

**立法會**  
**Legislative Council**

LC Paper No. CB(2)2370/08-09  
(The minutes have been seen by  
the Administration)

Ref : CB2/PL/ED

**Panel on Education**

**Minutes of special meeting  
held on Friday, 29 May 2009, at 10:45 am  
in the Chamber of the Legislative Council Building**

- Members present** : Hon Cyd HO Sau-lan (Chairman)  
Hon LEE Cheuk-yan  
Hon CHEUNG Man-kwong  
Hon TAM Yiu-chung, GBS, JP  
Hon Abraham SHEK Lai-him, SBS, JP  
Hon Audrey EU Yuet-mee, SC, JP  
Hon Andrew LEUNG Kwan-yuen, SBS, JP  
Prof Hon Patrick LAU Sau-shing, SBS, JP  
Hon Starry LEE Wai-king  
Hon Tanya CHAN  
Dr Hon Samson TAM Wai-ho, JP
- Members absent** : Dr Hon Priscilla LEUNG Mei-fun (Deputy Chairman)  
Hon LEUNG Yiu-chung  
Hon Tommy CHEUNG Yu-yan, SBS, JP  
Hon WONG Sing-chi  
Hon WONG Yuk-man  
Hon Mrs Regina IP LAU Suk-ye, GBS, JP
- Public Officers attending** : Agenda item I  
  
Mr Michael SUEN, JP  
Secretary for Education  
  
Mr Kenneth CHEN, JP  
Under Secretary for Education  
  
Ms Mabel CHAN  
Deputy Secretary for Education (2)

Ms Priscilla TO  
Administrative Assistant to Secretary for Education

Agenda item II

Mr Kenneth CHEN, JP  
Under Secretary for Education

Ms Linda LAW Lai-tan  
Principal Assistant Secretary (Further Education)  
(Acting)

Agenda item III

Mr Kenneth CHEN, JP  
Under Secretary for Education

Ms Esther LEUNG Yuet-yin, JP  
Deputy Secretary for Education (6)

Mr LI Wing  
Controller, Student Financial Assistance Agency

Mr FUNG Pak-yan  
Deputy Director of Social Welfare (Administration),  
Social Welfare Department

Mr NG Wai-kuen  
Chief Social Security Officer (Social Security) 1,  
Social Welfare Department

**Attendance by invitation** : Agenda item II

Chu Hai College of Higher Education

Professor CHANG Chung-nan  
President

Professor KONG Yau-pak  
Vice-President (Academic)

Mr Paul H S CHU  
Head of Department of Architecture

HKU SPACE

Mr John Cribbin  
School Secretary & Registrar

Mr S M LI  
Director of Accommodation and Facilities

Dr Dorothy T F YUEN  
Deputy Director (Administration and Resources)

Mr Stanley K H CHOW  
Senior Building and Facilities Manager

Hong Kong College of Technology

Dr CHAN Cheuk-hay  
President & Principal

Dr LI Ping-wai  
Director of Higher Education/Enterprise and Services  
Development

Ms Nicole W M LO  
Head of Department of Facilities Management

Architecture Design and Research Group Ltd

Mr WONG Sau-kin  
Principal

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

**Staff in attendance** : Mr Stanley MA  
Senior Council Secretary (2)8

Miss Jenny LEE  
Legislative Assistant (2)6 (Acting)

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- I. Fine-tuning the Medium of Instruction**  
[File Ref : EDB(ECP)48/02(N)]

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Members noted the Legislative Council (LegCo) Brief (the LegCo Brief) entitled "Fine-tuning the medium of instruction for secondary schools" tabled at the meeting.

Briefing by the Administration

2. At the invitation of the Chairman, Secretary for Education (SED) briefed members on the objectives and the proposed framework for fine-tuning the medium of instruction (MOI) policy for secondary schools and the detailed implementation arrangements as set out in the LegCo Brief.

The refined MOI framework and arrangements

3. Mr LEE Cheuk-yan said that the current mother tongue teaching policy for secondary schools was implemented in name only as students were required to learn through English in universities. While he did not object to fine-tuning the MOI policy, he considered it a better approach to provide schools with full discretion to decide their MOI arrangements in the light of their teachers' capability and students' ability. He was concerned that under the refined MOI framework, the adoption of different MOI arrangements for different classes, groups, subjects or sessions in a school would create confusion among schools, teachers and students. In his view, the best way forward was to implement small class teaching in secondary schools, and allow schools to decide their school-based MOI arrangements in the light of individual circumstances and students' ability and to use English or Chinese textbooks with different oral medium in teaching.

4. SED responded that the primary objective of fine-tuning the MOI policy was to allow schools to exercise professional judgment on the most appropriate MOI arrangements for their teachers and students, in the light of their circumstances, including students' ability, teachers' capability and school support measures. The Administration had not prescribed the MOI arrangements for individual schools, or required schools to set a timetable for implementing the fine-tuning proposals. Under the refined MOI framework, the majority of schools with an intake of Secondary 1 (S1) students not suitable to learn in English should basically adopt mother tongue teaching and use not more than 25% of the total lesson time to conduct English-medium extended learning activities (ELA). Around 5% of schools, mostly the existing schools adopting English as the medium of instruction (EMI), with 85% or more of S1 intake belonging to the top 40% student group would continue to adopt full EMI for all non-language subjects such as Liberal Studies, Religious Studies, Humanities Studies, etc. About 20% of schools in-between would be having a wider choice in adopting EMI or CMI for teaching in individual classes or subjects. The Administration would concentrate resources to organize and conduct workshops to help these 20% schools to formulate their MOI arrangements at junior secondary levels.

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5. On the use of Chinese as the oral medium for English textbooks, SED said that in principle, CMI teaching, by definition, should include, adopting Chinese primarily in teaching in class, supported by Chinese textbooks and teaching materials with assessment and evaluation primarily in Chinese to facilitate students to reinforce what they had learnt. The same principles applied to EMI teaching. Nevertheless, the Administration had consulted the school sector, and considered that the use of Chinese to explain abstract or complicated concepts and theories in EMI classes was acceptable as long as the purpose was to enhance teaching and learning effectiveness. For the same purpose, the use of supplementary English materials and resources, where appropriate, to enhance teaching and learning of content subjects in CMI classes was also acceptable.

6. Mr LEE Cheuk-yan asked whether the criterion for EMI teaching, i.e., 85% of S1 students belonging to the top 40% student group, could be removed so that schools could decide their MOI arrangements for individual classes or subjects in the light of their students' ability and interests.

7. SED explained that the criteria for EMI teaching were adopted in the 2005 Education Commission Report after extensive consultation with stakeholders and academic research and were well accepted by the education sector. Any changes to the criteria should be supported by research and thoroughly discussed and accepted by the key stakeholders in the education sector. The continued adoption of the criteria for EMI teaching reflected the Administration's decision to refine and not overturn the existing MOI policy.

8. Mr CHEUNG Man-kwong expressed dissatisfaction with the late provision of the LegCo Brief to members at the date of the meeting, notwithstanding the approval of the fine-tuned MOI arrangements by the Executive Council on 26 May 2009. He said that the proposals were more than a refinement involving significant changes to the MOI policy. Under the refined MOI framework, schools could exercise discretion to decide MOI for individual classes, groups or subjects. He considered that the "by class", "by subject" and "by group" MOI arrangements would create labeling effects within schools. As schools were allowed to transform the 25% ELA time into the adoption of EMI for not more than two content subjects, those with a large enrolment of Band 2 and Band 3 students would probably adopt EMI teaching for the subjects of Mathematics and Integrated Science at junior secondary levels in order to boost enrolment in the face of a declining student population. The transformation of ELA time to "by subject" arrangement was a substantial change to the existing MOI policy, which had not been widely discussed and agreed to in the school sector. He was concerned that students who were not capable of learning through English would be forced to learn in English, and their learning outcome would be adversely affected. This was not in line with the overriding principle for implementing the refined MOI framework that students' learning effectiveness should not be compromised. Mr CHEUNG was gravely concerned

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about the absence of a mechanism to stop schools from implementing their school-based MOI arrangements without regard to students' ability.

9. In response, SED said it was understandable that members could have their own views on whether the proposals were a refinement of the MOI policy. He pointed out that student diversity in learning outcome was natural and it had all along been the practice for schools to place students with comparable ability and learning outcome in the same class/group to facilitate teaching and learning. Labeling of students with different capability within a school was sometimes unavoidable, and schools had had the experience in handling such situations. Given the decline in secondary school student population, the Administration had proposed different development options for schools with unsatisfactory enrolment to continue operation.

10. SED acknowledged that under the refined MOI framework, some schools might adopt EMI for two content subjects in order to promote enrolment. Schools adopting "by-subject" arrangement had to consider whether this would fit into the overall curriculum plan and to ensure consistency and integrity of the whole school curriculum throughout the secondary levels. The school development plans should include the rationale and details concerning the MOI arrangements. The Education Bureau (EDB) would monitor the implementation of the fine-tuned MOI arrangements adopted by schools and take necessary actions against non-compliance with the prescribed criteria for EMI teaching, including the issue of warning letters to schools and disclosure of the school names concerned.

11. Mr CHEUNG Man-kwong reiterated his concern about the late provision of the Administration's paper and the lack of a mechanism to protect the interests of students who were incapable of learning in English. He pointed out that there would be no question of non-compliance under the fine-tuned MOI framework as schools were allowed to transform the 25% ELA time into the adoption of EMI for two content subjects.

12. The Chairman echoed Mr CHEUNG Man-kwong's concerns about the late provision of the Administration's paper and the lack of a mechanism to monitor compliance with the prescribed criteria for EMI teaching.

13. SED explained that the Administration had consulted the key stakeholders on the fine-tuned MOI arrangements for secondary schools through various channels including Panel meetings, and had uploaded the relevant information onto the EDB's website for public access. On monitoring of implementation, SED reiterated that schools were required to submit their annual school development plans including their curriculum and MOI arrangements to EDB. EDB would examine their MOI arrangements in the light of their S1 student profile and consistency in curriculum design at different secondary levels. EDB would pay special attention to schools which had a large

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enrolment of low academic-achievers and adopted the by-subject arrangement. Where appropriate, EDB would provide professional advice on their proposed MOI arrangements and make suggestions to the schools concerned with a view to ensuring the effectiveness of learning and teaching.

14. Mr LEUNG Kwan-yuen said that the business sector and employers were concerned with the decline in students' English proficiency in recent years. They would support measures to raise the English standard of students. While agreeing that the policy intent of the refined MOI framework was commendable, he also shared the concern about students' learning outcome should they not be capable of learning in English. He considered it necessary for the Administration to monitor the implementation of the refined MOI framework and educate parents on the benefits of mother tongue teaching. He sought information on the articulation of the new senior secondary (NSS) academic structure with university education in the context of the refined MOI framework.

15. SED responded that normally, parents would select schools for their children on the basis of school reputation, ethos and track records. He stressed the need to have confidence in schools' professional judgment on the appropriate MOI arrangements for their students. He said that the Administration would monitor the implementation of the refined MOI framework in individual schools and work in partnership with them to enhance smooth implementation. Schools would be required to specify their MOI arrangements in the school profiles, which would facilitate parents in making school choice for their children. He considered it inappropriate to assume at this stage that schools would adopt EMI teaching, irrespective of their students' ability in order to compete for enrolment. He added that issues concerning the articulation of the new academic structure with university education had been tackled. The refined MOI framework did not have any direct bearing in this regard. It was expected that students' exposure to English would be enhanced under the refined MOI framework and this would facilitate their transition to studies at universities.

16. Ms Starry LEE said that from the perspective of parents and students, she supported the spirit of the refined MOI framework to enhance students' exposure to English in class. The Democratic Alliance for the Betterment and Progress of Hong Kong supported the policy direction to let schools decide their MOI arrangements in the light of their teachers' capability and students' ability. She asked how the Administration would monitor the implementation to ensure that schools would not adopt EMI teaching for the sole purpose of promoting enrolment without regard to students' ability. In her view, schools should be allowed to use Chinese as the oral medium to teach English textbooks at junior secondary levels as long as teaching and learning effectiveness could be enhanced. She pointed out that parents knew little about the refined MOI framework and arrangements, and enquired about the measures taken by the Administration to enhance their understanding in this regard.

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17. SED responded that the impact of a decline in secondary school student population on enrolment in individual schools varied. Although theoretically schools with unsatisfactory enrolment might make use of the "by subject" arrangement to promote enrolment, they would be held accountable for their MOI arrangements in relation to the learning outcomes of students. In line with the School Development and Accountability Framework, schools should include in their school development plans the whole-school language policy, the school-based MOI arrangements and the rationale for the arrangements adopted. The Administration would examine the school plans and circumstances to ensure that the overall curriculum plan of a school adopting the "by subject" arrangement was consistent at different secondary levels and conducive to students' transition from junior secondary to senior secondary and/or post-secondary education. As regards the adoption of English textbooks with Chinese as the oral medium, SED reiterated the advice in paragraph 5 above. He added that the school profiles updated on a yearly basis would enhance parents' understanding of individual schools including their MOI arrangements.

18. Ms Starry LEE remarked that the Administration should not rely on the school profiles to facilitate parents' understanding of the MOI arrangements in individual schools. In her view, EDB should encourage schools to brief parents on their MOI arrangements. She expressed concern about the "student ability" criterion in determining whether EMI teaching could be adopted. She pointed out that students' English proficiency could improve, and those incapable of learning in English might be capable of doing so as they progressed to S2 or S3. She doubted the appropriateness of determining students' ability at S1 level only.

19. SED responded that EDB would encourage the Committee on Home-School Cooperation to collaborate with the parent-teacher associations in schools to conduct briefings on MOI arrangements for parents. Under the Secondary School Places Allocation (SSPA) system, EDB would advise schools of the number and percentage of the top 40% S1 students allocated in 2008 and 2009. Individual schools had put in place arrangements to allocate students to different classes in accordance with certain criteria. SED added that the majority of students progressed at a normal pace throughout schooling.

20. Ms Audrey EU noted with concern that under the refined MOI framework, schools were allowed to adopt MOI arrangements in the form of "by class", "by group", "by subject" or "by session", or a combination of these forms. She considered the arrangements confusing, and was concerned about how parents could understand the different MOI arrangements. In her view, fine-tuning the MOI policy was for political reasons, such as removing the labeling effect arising from the bifurcation of EMI and CMI schools, and not for upgrading students' English proficiency. She shared Mr CHEUNG Man-kwong's concern that there was no mechanism to stop the implementation should anything go wrong. She considered that the Panel should receive deputations' views on the refined MOI framework.



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21. In response, SED used the menu of a restaurant as an example to explain the availability of choices to schools in devising their MOI arrangements, which was different from the existing pure bifurcation of schools into two categories only, i.e. EMI and CMI schools. He highlighted the spirit of the fine-tuning proposals to empower schools to exercise professional judgment on their school-based MOI arrangements in the light of their teachers' capability and students' ability.

22. Ms Audrey EU did not consider the example of a restaurant menu appropriate to illustrate the different MOI arrangements available to schools. She suggested that EDB should explain the MOI arrangements to parents through appropriate means. SED reiterated that EDB would continue to collaborate with the Committee on Home-School Cooperation to organize seminars and experience-sharing sessions for teachers and parents on the MOI arrangements on a need basis.

23. Professor Patrick LAU said that the LegCo Brief should elaborate more on the background for the adoption of the mother tongue teaching policy, including the criteria for deciding the EMI schools. He considered the local school curriculum in general had been too complex by international standards and the community as a whole over-weighted students' achievement in open examinations, with the result that the quality of language education in schools had been adversely affected. Quoting an article written by the former Chairman of the Standing Commission on Language Education and Research, Professor LAU said that parents were not fully apprised of the benefits of mother tongue teaching and could easily be misled about EMI teaching. He expressed support in principle for allowing schools to exercise professional judgment in their MOI arrangements. He also suggested that members should visit schools to better understand teaching and learning in class.

24. SED responded that under the new academic structure, students would attend six-year secondary education, study four core subjects and two elective subjects at senior secondary levels and sit for the Hong Kong Diploma of Secondary Education (HKDSE) Examination. The standards of the HKDSE qualifications would be benchmarked with those of overseas examinations. Should the Panel wish to visit schools, EDB would be happy to assist in making the arrangements.

25. DS(Ed)2 supplemented that the school development plan would incorporate information on the detailed arrangements of the school's MOI plan including the by-class arrangement if adopted by school, and be uploaded onto the school's website for public access. EDB would encourage schools to consult parents on any changes to MOI arrangements through their parent-teacher associations. Responding to Professor Patrick LAU, she advised that notwithstanding the MOI in respect of individual subjects at S6 or S7, students

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could, as in the past, select to sit for public examinations for the subjects in either Chinese or English language.

26. The Chairman said that given the prescribed criteria for EMI teaching, around 47% of schools would have full discretion in deciding their school-based MOI arrangements. However, in the face of a declining student population and parents' expectation for a better English learning environment, schools might promote enrolment through the adoption of "by class" and "by subject" arrangements, without regard to students' ability to learn in English. She therefore considered it necessary to suspend the school consolidation policy to eliminate malicious competition among schools and to monitor schools to ensure their adoption of the MOI arrangements in the light of their teachers' capability and students' ability. She asked whether the Administration would allocate resources to support the 15% less capable students in schools with 85% S1 enrolment belonging to the top 40% student group, and how these 15% students would not be labeled against as they might be assigned to study in CMI classes.

27. SED explained that schools were informed of the banding distribution of their allocated students under the SSPA system but not the banding of individual students. Schools with 85% enrolment belonging to the top 40% student group could adopt EMI teaching in all classes and subjects in principle. On the other hand, schools without a critical mass of S1 students belonging to the top 40% student group would adopt CMI teaching, and arrange ELA for their students to learn in English. About 20% of schools would have sufficient S1 enrolment belonging to the top 40% student group that would allow them to adopt different MOI arrangements in the light of teachers' capability and students' ability. The Administration would monitor the implementation of the refined MOI arrangements to safeguard students' learning effectiveness. SED pointed out that under the existing arrangements, not all students in EMI schools belonged to the top 40% student group, and schools adopted different measures to support their students. In general, no significant differences in public examination results among students in individual EMI schools were noticed.

Professional support for teachers

28. Miss Tanya CHAN noted from paragraph 13 of the LegCo Brief that the Administration would provide the necessary training and professional support for content subject teachers who might be required to switch from CMI to EMI teaching to improve their teaching pedagogies, and supply teachers would be made available to encourage them to participate in the relevant upgrading courses. She was concerned that teachers were required to attend various development programmes for the implementation of the NSS curriculum, in particular the teaching of the subject of Liberal Studies, in the 2009-2010 school year, and the refined MOI framework in September 2010. She sought information on the types and duration of the training programmes, the number of serving teachers involved, the sources of supply teachers, and the detailed

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arrangements for relieving teachers to attend the training programmes.

29. DS(Ed)2 explained that EDB had planned a series of short-term, medium-term and long-term measures to support professional development of teachers. In the short term, EDB would conduct workshops for teachers and principals of schools to share experiences. In addition, learning and teaching resources would be produced for modules/topics in Key Learning Areas where ELA could be effectively used to provide useful exposure to English. In the medium term, EDB would arrange content subject teachers who would switch their MOI to attend training lasting 10 to 20 hours to improve teaching pedagogies. Two such programmes were in operation and participants' feedback on the course contents and materials was positive. As regards the long-term measures, EDB had earmarked resources to commission tertiary institutions to design professional development programmes on EMI teaching pedagogies and strategies for teachers to enhance students' learning effectiveness. She added that the number of serving teachers attending training courses and supply teachers required would depend on the actual MOI arrangements adopted in individual schools.

30. Miss Tanya CHAN remarked that EDB should monitor the implementation and effectiveness of professional development programmes for teachers. She enquired about the scope of service of the on-site support to school-based curriculum development referred to in paragraph 13 of the LegCo Brief. She supported the view that the Panel should receive deputations on the refined MOI arrangements.

31. DS(Ed)2 explained that the on-site support to school-based curriculum development would provide more guidance on whole-school language policy planning and language across the curriculum. To facilitate the implementation and monitoring of the refined MOI arrangements, EDB had re-deployed internal resources to step up focused inspections under the existing mechanism to help schools, in particular those intending to adopt "by-subject" arrangement, to review the effectiveness of their MOI arrangements.

32. Mr CHEUNG Man-kwong reiterated his concerns and worries in paragraph 8 above. He stressed that in the absence of a mechanism to stop schools from adopting certain MOI arrangements, in particular the "by subject" arrangement, the adverse impact of implementing the refined MOI framework could be disastrous in terms of teaching and learning effectiveness. He considered it unacceptable and unreasonable to expect teachers to take up additional workload arising from the implementation of the NSS academic structure and the refined MOI arrangements without the provision of corresponding resources to schools.

33. In concluding the discussions, the Chairman said that in view of members' concern, the Panel would revisit the subject and receive views of

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deputations. The Chairman advised members to forward the names of invited deputations to the Secretariat.

*(Post-meeting note: The Panel revisited the subject and received deputations at its special meeting on 11 July 2009.)*

**II. Start-up loan for post-secondary education institutions**  
[LC Paper Nos. CB(2)1668/08-09(01) and (02)]

34. At the Chairman's invitation, Under Secretary for Education (USED) briefed members on the proposal to provide loans to Chu Hai College of Higher Education (Chu Hai College), the University of Hong Kong and the Hong Kong College of Technology from the Start-up Loan Fund (the Loan Fund) under the Start-up Loan Scheme (the Scheme) as detailed in the Administration's paper. In response to the Chairman, USED said that as the proposal did not concern capital works projects, they would be submitted direct to the Finance Committee for consideration, subject to members' view.

Loan amount and repayment period

35. Mr Abraham SHEK expressed support for the funding proposal. He considered it inadequate to provide only a loan of \$350 million to support the development of Chu Hai College since the establishment of the Scheme in 2001 to support the policy objective of enabling 60% secondary school leavers to receive tertiary education by 2010. He considered that the Administration should allocate more resources from the Loan Fund to assist Chu Hai College in the provision of quality post-secondary education programmes.

36. USED advised that the selected land site in Tuen Mun east for the construction of a purpose-built college campus for Chu Hai College was only available in 2009. The purpose of the loan was to cover part of the construction costs of the purpose-built campus.

37. Professor KONG Yau-pak of Chu Hai College supplemented that \$350 million was sufficient for the construction cost of Block A of the college campus in Tuen Mun east. Responding to the Chairman, he added that Chu Hai College would use its own resources of around \$50 million to \$70 million for the construction of Block B.

38. Mr Abraham SHEK said that the Administration should take this opportunity to provide more resources to Chu Hai College to facilitate the development of a self-financing degree sector. The Chairman said that the Panel should discuss issues relating to the development of private universities at a future meeting.

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39. Mr TAM Yiu-chung declared interest as the Chairman of the Council of the Hong Kong College of Technology. He expressed support for the submission of the proposal to the Finance Committee for consideration.

40. Mr CHEUNG Man-kwong expressed support for the three applications for start-up loans under the Scheme. Noting that loan borrowers with proven financial difficulties could apply for an extension of the loan repayment period to 20 years, he asked whether the loan repayment period for Chu Hai College could also be extended to 20 years so that it could have resources to invest in improving the quality of education and the teaching and learning environment.

41. USED explained that as approved by the Finance Committee in July 2001, loans under the Scheme would be interest-free, to be repaid by equal annual installments over ten years from the date of the final drawdown. The Administration accepted the recommendation of the Steering Committee in the Report of the Phase 2 Review of the Post-secondary Education Sector to allow borrowing institutions with proven financial difficulties to apply for an extension of the loan repayment period up to 20 years with interest payment at the no-gains-no-loss interest rate after the first 10 years. It was agreed at the meeting of the Finance Committee in May 2008 that the extension of the loan repayment period to 20 years would not apply to new loans as borrowers should plan carefully their repayment ability before borrowing to improve facilities.

42. Mr CHEUNG Man-kwong pointed out that according to his understanding, the extension of the loan repayment period to 20 years would not apply automatically to new loans instead of not applying to new loans. Chu Hai College would be doubly jeopardized if it had to repay the loan within 10 years and to provide documentary proof of assets equivalent to 90% of the loan amount as a guarantee of its repayment ability. The provision of a longer repayment period would help relieve Chu Hai College's financial burden and enable it to invest more of its tuition fee income to improve the quality of teaching and the learning environment in the interest of students.

43. USED explained that the Scheme was established by public funds to support the development of self-financing post-secondary programme providers. The Administration had a duty to ensure cost-effective use of the Loan Fund. Only providers with proven financial difficulties would be granted an extension of the repayment period to 20 years, with interest payment at the no-gains-no-loss interest rate after the first 10 years.

44. Mr CHEUNG Man-kwong supported the policy on the allocation of suitable vacant school premises to eligible post-secondary providers and the provision of start-up loan for refurbishing vacant school premises for the operation of full-time locally accredited post-secondary programmes. He pointed out that in the past, post-secondary institutions had to borrow funds for the construction of purpose-built campus. These institutions were using a

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substantial portion of their tuition fee income to repay the loans. In the principle of equity, the Administration should consider providing appropriate subsidies to these institutions to reduce their financial burden on loan repayment.

45. USED explained that should there be vacant school premises suitable for conversion into post-secondary colleges, and to ensure effective use of vacant school premises, the Administration would invite post-secondary institutions to submit applications. A vetting committee would then be established to consider the applications.

46. Mr CHEUNG Man-kwong stressed that as it was a policy change to allocate vacant school premises to post-secondary providers to run self-financing programmes, the Administration had to find ways to address the concern about disparity of treatment among borrowing institutions.

Conclusion

47. In concluding the discussions, the Chairman said that members expressed support for the funding proposal and its submission to the Finance Committee for consideration at its meeting on 19 June 2009. However, they considered that the repayment period for the Chu Hai College should be extended to 20 years.

**III. One-off relief measures on student finance**

[LC Paper No. CB(2)1668/08-09(03)]

48. USED introduced the two one-off relief measures on student finance to alleviate the financial burden of needy families, namely, the provision of a one-off grant of \$1,000 each for needy students; and the extension of the total loan repayment period for a maximum of two years without charging interest during the deferment period for student loan borrowers with proven repayment difficulties, as detailed in the Administration's paper.

49. Mr TAM Yiu-chung noted that to implement the two relief measures, the Student Financial Assistant Agency (SFAA) would need to enhance its computer system for processing loan deferment cases at an estimated one-off cost of around \$800,000, and require around 40 additional temporary staff at an estimated cost of around \$13 million to handle the applications and the additional administrative work arising therefrom. He asked whether these costs could be saved if the loan repayment period was extended automatically to all loan borrowers, instead of on an application basis.

50. USED responded that as a matter of principle, student borrowers should be responsible for repaying their loans according to the repayment schedule. Nevertheless, the Administration acknowledged that some student borrowers

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might have financial difficulties, and had all along encouraged these students to take the initiative to approach SFAA to apply for an extension of repayment period. Controller, Student Financial Assistance Agency supplemented that the additional temporary staff would be recruited on a need basis, depending on the actual number of applications received.

51. Miss Tanya CHAN pointed out that as the NSS curriculum would be implemented at S4 level in the 2009-2010 school year, second-hand textbooks could not be used. She asked whether the Administration would provide relief measures for parents with children attending the NSS classes in the coming school year. As it was reported that kindergarten textbooks for the new school year was increased by 40%, she was concerned whether relief measures would be available for parents with children attending kindergartens.

52. USED responded that the amount of subsidies under the School Textbook Assistance Scheme was adjusted in accordance with the findings of the annual textbook price surveys conducted by the Consumer Council. The Scheme allotted different amounts of financial subsidy for textbook prices of primary and secondary students at different levels. As regards textbooks for kindergarten classes, he believed that the pre-primary institutions would take account of the financial burden of parents during a period of economic downturn and prepare their textbook lists in a prudent manner. USED added that parents of the needy kindergarten students could make use of the one-off grant to purchase textbooks for the new school year as well.

53. The Chairman pointed out that at the meeting on 11 May 2009, the publishers association had informed members that some 80% and 50% of publishers of secondary and primary school textbooks respectively had frozen their textbook prices and their names were reported in the media and made available in the internet. She urged the Administration to follow up with the publishers associations on feasible measures to reduce the prices of school textbooks and revert to the Panel. USED agreed.

Conclusion

54. Concluding the discussions, the Chairman said that members supported the provision of the two relief measures on student finance to alleviate the financial burden of needy families.

55. The meeting ended at 12:54 pm.