

ITEM FOR FINANCE COMMITTEE

HEAD 173 – STUDENT FINANCIAL ASSISTANCE AGENCY Subhead 228 Student financial assistance

LOAN FUND

HEAD 254 – LOANS TO STUDENTS

Subhead 101 Students of the universities, the Hong Kong Institute of Vocational Education and Hong Kong Design Institute of the Vocational Training Council, Prince Philip Dental Hospital, Hong Kong Institute of Education and Hong Kong Academy for Performing Arts

Subhead 103 Means-tested loan for post-secondary students

Members are invited to approve –

- (a) relaxation of the income ceiling for full level of assistance under the means test mechanism of the Student Financial Assistance Agency;
- (b) adjustment of the existing tiers of assistance for students pursuing publicly-funded and self-financing post-secondary programmes;
- (c) increase in the amount of academic expenses grant provided to needy students pursuing publicly-funded and self-financing post-secondary programmes by \$1,000 each per year for those eligible for full level of assistance and by a proportionate amount for those eligible for less than full assistance;

/(d)

- (d) increase in the amount of flat-rate grant under the School Textbook Assistance Scheme from \$408 to \$1,000 per student per year for full-grant students and from \$204 to \$500 per student per year for half-grant students; and
- (e) supplementary provision of \$573 million under Head 173 Student Financial Assistance Agency Subhead 228 Student financial assistance in 2011-12 to implement the proposals in (a) to (d) above from the 2011/12 academic year.

PROBLEM

To enhance financial support for needy students, we need to relax the income threshold for full level of financial assistance under the means test mechanism of student financial assistance schemes administered by the Student Financial Assistance Agency (SFAA), rationalise the tiers of assistance for post-secondary students, and increase the amount of academic expenses grant for post-secondary students and the flat-rate grant under the School Textbook Assistance Scheme (STAS) for primary and secondary students.

PROPOSAL

2. The Controller of the Student Financial Assistance Agency, with the support of the Secretary for Education, proposes to implement the following improvement measures with effect from the 2011/12 academic year –

- (a) relax the income ceiling for full level of assistance under the means test mechanism of SFAA so that more eligible students at all levels of study, from pre-primary to post-secondary, can receive full assistance;
- (b) adjust the existing tiers of assistance for students pursuing publicly-funded and self-financing post-secondary programmes so that those who are eligible for less than full assistance can receive a higher amount of assistance;

/(c)

- (c) increase the amount of academic expenses grant provided to needy students pursuing publicly-funded and self-financing post-secondary programmes so that those who are eligible for full assistance under the relaxed means test of SFAA can receive an additional grant amount of \$1,000 each per year, and those eligible for less than full assistance can receive an additional grant amount proportionate to their level of assistance; and
- (d) increase the flat-rate grant under STAS from \$408 to \$1,000 per student per year (pspy) for full-grant students and from \$204 to \$500 pspy for half-grant students.

JUSTIFICATION

Background

3. Education is an important means to promote upward social mobility and self-reliance. To provide greater support for needy students so that their studies would not be affected by lack of financial means, the Chief Executive announced in the 2010-11 Policy Address the proposal to increase the flat-rate grant under STAS from \$408 to \$1,000 pspy for full-grant students and from \$204 to \$500 pspy for half-grant students with effect from the 2011/12 academic year. The Financial Secretary further announced in the 2011-12 Budget to implement the following proposals starting from the 2011/12 academic year –

- (a) relax the income ceiling for the full level of student financial assistance under the means test mechanism of SFAA;
- (b) adjust the existing tiers of financial assistance for post-secondary students on the basis of (a) above so that students not on full assistance will also receive a larger amount of assistance; and
- (c) increase the amount of academic expenses grant for post-secondary students.

/Existing

Existing Means Test Mechanism

4. At present, SFAA administers nine means-tested financial assistance schemes covering students from pre-primary to post-secondary levels¹. A standard income test is adopted for these means-tested financial assistance schemes, which operates on an Adjusted Family Income (AFI) formula -

$$\text{AFI} = \frac{\text{Gross annual income of the family}^2}{\text{Number of family members}^3 + 1^4}$$

The AFI calculated is then referenced against a Ready Reckoner to determine whether an applicant is eligible for any financial assistance under a particular scheme and if so, the percentage of assistance receivable. The AFI cut-off points in the Ready Reckoner are adjusted annually according to the movement of the Consumer Price Index (A). The Ready Reckoner for the 2011/12 academic year covering the nine means-tested schemes under the existing mechanism, after the annual price adjustment⁵, is at Enclosure 1 and is broadly illustrated below –

Encl. 1

/AFI Value

¹ The nine schemes are the Kindergarten and Child Care Centre Fee Remission Scheme (KCFRS), STAS, Student Travel Subsidy Scheme, Subsidy Scheme for Internet Access Charges, Examination Fee Remission Scheme, Tertiary Student Finance Scheme – Publicly-funded Programmes (TSFS), Financial Assistance Scheme for Post-secondary Students (FASP), Tuition Fee Reimbursement for Project Yi Jin (PYJ), and Financial Assistance Scheme for Designated Evening Adult Education Courses (FAEAEC). TSFS and FASP, being the two schemes for students pursuing publicly-funded and self-financing post-secondary programmes respectively, also have an asset test, where the percentage of assistance obtained after the income test may be discounted according to a sliding scale of net asset values per family member.

² Gross annual income of the family includes the annual income of the applicant and the spouse, or if the applicant is unmarried, the income of his parents; 30% of the annual income of unmarried child(ren)/sibling(s) residing with the applicant if applicable; and the contribution from relative(s)/friend(s) if applicable. It excludes unavoidable medical expenses for chronically ill household member(s), which are subject to a cap that is adjusted annually according to the movement of the Consumer Price Index (CPI) (A).

³ The members of a family normally refer to the applicant, the spouse/the parents of an unmarried applicant, the unmarried child(ren)/sibling(s) residing with the applicant, and the dependent parents/grandparents of the applicant.

⁴ For single-parent families of 2 to 3 members, the “plus 1” factor in the divisor of the AFI formula will be increased to “plus 2”.

⁵ The year-on-year change of CPI (A) between 2009 and 2010 is +2.7%.

AFI Value	Level of Assistance
\$0 to \$21,532	Full Assistance
\$21,533 to \$57,502	Varying percentages of full assistance depending on the scheme ⁶
Over \$57,502	No assistance ⁷

When translated into monthly family earnings, the equivalent monthly family income limits⁸ for full level of assistance and for any assistance for different family sizes are around 40% and around 100% of the relevant median household incomes of the second quarter of 2010 respectively. In the 2010/11 academic year, around 30% of all students passing the means test of SFAA receive full level of assistance.

Detailed Proposals

(A) Relaxation of the Means Test Mechanism of SFAA

(i) *Relaxing the threshold for full level of assistance*

5. To provide enhanced support for needy students, we propose to relax the income ceiling for the full level of student financial assistance under the means test mechanism of SFAA from the 2011/12 academic year.

6. Specifically, we propose to relax the eligibility for full level of assistance by making the following changes –

- (a) Relaxing the AFI threshold for full level of assistance in respect of all family sizes, from \$21,532 in paragraph 4 above under the existing mechanism to \$29,738 in the 2011/12 academic year.

/For

⁶ Means-tested financial assistance schemes for primary and secondary students consist of two levels of assistance, i.e. full and half grant. KCFRS for pre-primary children provides three assistance levels, i.e. 50%, 75% and 100% fee remission. TSFS and FASP comprise 17 tiers of assistance from 4% grant and 2% loan to 100% grant and loan.

⁷ Non-means-tested 30% tuition fee reimbursement is made to all eligible students who complete PYJ or designated evening adult education courses. However, to be eligible for full fee reimbursement of PYJ or full/half fee reimbursement of designated evening adult education courses, the applicant has to pass the income test.

⁸ In calculating the equivalent monthly family income limits, we have not taken into account the discount effect of counting only 30% (instead of 100%) of the income of unmarried child(ren)/sibling(s) residing with the applicant given the many possible permutations depending on the precise family compositions.

For post-secondary students, the new AFI threshold of \$29,738 for full level of assistance would be effected by merging the existing first five tiers of assistance (covering 82% to 100% of the maximum level of grant assistance) in the Ready Reckoner applicable to the financial assistance schemes for post-secondary students, i.e. the Tertiary Student Finance Scheme – Publicly-funded Programmes (TSFS) and the Financial Assistance Scheme for Post-secondary Students (FASP). This new AFI threshold, when translated into monthly family income, is equivalent to around 53% of the median monthly household income of a 4-member household⁹. This new AFI threshold for full level of assistance will also apply to needy pre-primary, primary and secondary students.

- (b) Further relaxing the AFI threshold for full level of assistance for 3-member families from \$29,738 to \$36,000.

We propose this further adjustment to cater for smaller families, having regard to survey findings that 2-member and 3-member households tend to have higher per capita expenditure¹⁰, and hence relatively less room to deploy resources in times of need. As a result, the equivalent monthly family income limit for full assistance in the case of 3-member families will be raised from \$7,177 under the existing mechanism to \$12,000, which is equivalent to 67% of the median monthly household income of a 3-member household in the second quarter of 2010.

As for 2-member families, the profile of applicant families indicates that the vast majority of 2-member applicant families have been single-parent families. Under the existing income test mechanism of SFAA, they are treated as if they were 3-member families, through increasing the “plus 1” factor in the divisor of the AFI formula to “plus 2”, and hence they are subject to a higher and more favourable AFI threshold for full level of assistance than ordinary 2-member families. In future, along the same principle, these families would continue to be treated as if they were 3-member families, and thus will be subject to the revised AFI threshold for full level of assistance for ordinary 3-member families, i.e. \$36,000, or an equivalent monthly family income limit of \$12,000. We consider this income limit for full level of assistance reasonable in the case of 2-member

/single-parent

⁹ According to the Quarterly Report on General Household Survey for the second quarter of 2010 published by the Census and Statistics Department (C&SD), the median monthly household income of a 4-member household was \$23,600 in that quarter.

¹⁰ According to the 2004-05 Household Expenditure Survey conducted by C&SD, the monthly expenditures per person for a 2- and a 3-member household were \$7,929 and \$6,094 respectively, which were visibly higher than that of a 4- and a 5-member household (i.e. about \$5,200).

single-parent families, and do not see the need to further relax the AFI threshold for full level of assistance for 2-member families.

- (c) Further relaxing the AFI threshold for full level of assistance for 4-member families from \$29,738 to \$33,120.

Following the further relaxation of the AFI threshold for full level of assistance for 3-member families, we propose to adjust the AFI threshold for full level of assistance in respect of 4-member families accordingly, in order to maintain the relativity in the eligibility for full level of assistance between 3-member families and 4-member families. As a result, the equivalent monthly family income limit for full level of assistance of 4-member families will be increased from \$8,971 under the existing mechanism to \$13,800, which is equivalent to 58% of the median monthly household income of a 4-member household in the second quarter of 2010.

7. The AFI thresholds for both full level of assistance and any student financial assistance in respect of different family sizes together with the equivalent monthly family income limits as translated from the AFI formula in the 2011/12 academic year would be as follows –

Family Size	New AFI threshold for full level of assistance	Equivalent monthly family income limit for <u>full</u> assistance	% of median monthly household income (Q2 2010)	AFI threshold for any assistance	Equivalent monthly family income limit for <u>any</u> assistance	% of median monthly household income (Q2 2010)
1	\$29,738	\$4,956 (\$3,588)	76%	\$57,502	\$9,583	147%
2	\$29,738	\$7,434 ¹¹ (\$5,383)	53%		\$14,375 ¹²	103%
3	\$36,000	\$12,000 ¹³ (\$7,177)	67%		\$19,167 ¹⁴	106%
4	\$33,120	\$13,800 (\$8,971)	58%		\$23,959	102%
5	\$29,738	\$14,869 (\$10,766)	51%		\$28,751	99%
6	\$29,738	\$17,347 (\$12,560)	53%		\$33,542	103%

Note: Figures in brackets indicate the limits under the existing mechanism before relaxation.

/8.

¹¹ Monthly family income limit for full level of assistance for 2-member single-parent families is increased to \$12,000.

¹² Monthly family income limit for any assistance for 2-member single-parent families is increased to \$19,167.

¹³ Monthly family income limit for full level of assistance for 3-member single-parent families is increased to \$13,800.

¹⁴ Monthly family income limit for any assistance for 3-member single-parent families is increased to \$23,959.

8. According to the latest estimates, the proposed relaxation of income thresholds for full level of assistance as set out in paragraph 6 above would raise the assistance level of around 98 000 students to the full level of assistance. The percentage of students receiving full level of assistance would be substantially increased from around 30% at present to around 59% of all beneficiaries in the 2011/12 academic year, with breakdown by study level as follows –

Study Level	Number of students receiving student financial assistance	No. of students receiving full level of assistance under the existing mechanism	Estimated additional no. of students receiving full level of assistance after relaxation of AFI thresholds for full level of assistance	Estimated total no. of students receiving full level of assistance after the relaxation
	(a)	(b)	(c)	(d) =(b)+(c)
Pre-primary	30 000	13 000 (43%)	12 000	25 000 (83%)
Primary and secondary ¹⁵	278 000	82 000 (29%)	72 000	154 000 (55%)
Post-secondary	52 000	19 000 (37%)	14 000	33 000 (63%)
Total	360 000	114 000 (32%)	98 000	212 000 (59%)

Note: Figures in brackets indicate the percentage share of the relevant total number of students receiving financial assistance.

(ii) Adjusting the tiers of assistance for post-secondary students

9. Following the merging of the first five tiers of assistance in the Ready Reckoner applicable to students pursuing publicly-funded and self-financing post-secondary programmes to help define the new AFI threshold for full level of assistance as proposed in the preceding paragraphs, we also propose to simplify and revise the remaining 12 tiers of assistance in the Ready Reckoner for post-secondary students such that those who are not eligible for full level of assistance would also receive a greater amount of assistance. This would also help expedite the application procedures for both TSFS and FASP.

10. Specifically, we propose, on top of relaxing the threshold for full level of assistance by merging the first five tiers of assistance in the Ready Reckoner as proposed in the preceding paragraphs, to consolidate the remaining 12 tiers of assistance into four tiers as set out below –

/Existing

¹⁵ Figures include students who pass the means test and are eligible for full tuition fee reimbursement under PYJ or half/full tuition fee reimbursement under FAEAEC.

Existing Tiers of Assistance	Existing % of maximum grant assistance	Existing % of maximum loan assistance	New Tiers of Assistance	New % of maximum grant and loan assistance
1 - 5	82% to 100%	83% to 100%	1	100%
6 - 8	53% to 72%	50% to 72%	2	75%
9 - 11	28% to 44%	24% to 39%	3	50%
12 - 14	11% to 21%	8% to 16%	4	25%
15 - 17	4% to 8%	2% to 6%	5	15%

11. With the above consolidation of the existing tiers of assistance, post-secondary students who apply for assistance under TSFS or FASP and are eligible for less than full level of assistance under the means test would be eligible for an increase in the amount of grant and loan receivable. The proposal is estimated to benefit around 19 000 students pursuing publicly-funded and self-financing post-secondary programmes who pass the means test of SFAA¹⁶ but are eligible to receive less than full assistance in the 2011/12 academic year.

12. The Kindergarten and Child Care Centre Fee Remission Scheme (KCFRS) also has a 75% fee remission level. We see a need to align the AFI thresholds for 75% assistance for post-secondary students and pre-primary children receiving KCFRS. As a result, around 1 200 pre-primary children under KCFRS in the 2011/12 academic year would have their assistance level raised from 50% fee remission level to 75% fee remission level.

13. The new proposed Ready Reckoner under the relaxed means test mechanism of SFAA for the 2011/12 academic year, after incorporating the changes and improvements as set out in paragraphs 5 to 12 above, is at Enclosure 2.

Encl. 2

(B) Increasing the Amount of Academic Expenses Grant for Needy Post-secondary Students

14. At present, students pursuing publicly-funded and self-financing post-secondary programmes eligible for financial assistance under TSFS and FASP respectively can receive a grant to help cover tuition fees and an academic expenses grant. In the 2010/11 academic year, the maximum amount of academic expenses grant ranges from \$3,210 to \$34,380 per year, depending on the type, discipline and level of the study programme enrolled by the student.

/15.

¹⁶ These students pass both the income test and asset test of TSFS or FASP.

15. To provide enhanced support for needy students pursuing publicly-funded and self-financing post-secondary programmes, we propose that an additional amount of academic expenses grant be provided to those who are eligible for assistance under TSFS or FASP according to the result of the means test with effect from the 2011/12 academic year. Specifically, each student pursuing publicly-funded/self-financing post-secondary programme eligible for full level of assistance will be eligible to receive an additional amount of academic expenses grant of \$1,000 per year, whilst those who are eligible for less than full assistance would receive an additional grant amount proportionate to the level of assistance they receive on the basis of the relaxed means test. The additional amount will be disbursed as part of the academic expenses grant. Students can flexibly deploy the whole sum of the academic expenses grant to meet the academic expenses, such as to purchase textbooks and reference books, or to acquire, replace or upgrade necessary study aids, including computer and related equipment. The new measure is estimated to benefit around 52 000 post-secondary students who can pass the means test in the 2011/12 academic year.

(C) Increasing the Amount of Flat-rate Grant under STAS for Needy Primary and Secondary Students

16. At present, STAS provides cash grants to eligible Primary 1 to Secondary 7 students¹⁷, which comprise a textbook grant and a flat-rate grant. Students passing the means test of SFAA can receive either full or half level of grants. The textbook grant rates are determined on the basis of a textbook expenditure survey conducted by the Consumer Council before the start of each academic year on the actual textbook expenses incurred by students at various levels. On the other hand, the flat-rate grant was established under STAS from the 2000/01 academic year to replace the previous stationery grant to meet various school-related expenses of students. The grant rates for the 2010/11 academic year are \$408 per full-grant student and \$204 per half-grant student.

17. To enhance support to needy students, we propose to increase the flat-rate grant under STAS from \$408 to \$1,000 pspy for full-grant students and from \$204 to \$500 pspy for half-grant students from the 2011/12 academic year. We expect that this measure would benefit about 276 000 students in the 2011/12 academic year. Apart from increasing the rate of the flat-rate grant, we will streamline the processing procedures of STAS so that grants can be disbursed to most applicants before the new school term begins.

/FINANCIAL

¹⁷ STAS covers Primary 1 to Secondary 7 students studying in government, aided and caput schools and local schools under the Direct Subsidy Scheme.

FINANCIAL IMPLICATIONS

18. The above proposals would entail additional financial implications on a recurrent basis. We estimate that the proposal to relax the income thresholds for full level of assistance as set out in paragraphs 5 and 6 above would entail additional recurrent expenditure of around \$430 million in means-tested grants in 2011-12; and the proposal to adjust the existing tiers of assistance for post-secondary students as set out in paragraphs 9 to 12 above would entail additional recurrent expenditure of around \$102 million in means-tested grants in 2011-12. In addition, the new Ready Reckoner at Enclosure 2 arising from these relaxation proposals would not only apply to means-tested grants but also means-tested loans disbursed to needy post-secondary students under TSFS and FASP. The estimated amount of additional means-tested loans to be disbursed is about \$79 million in 2011-12. As for the proposal to increase the academic expenses grant for needy post-secondary students set out in paragraph 15 above, it would result in additional recurrent expenditure of around \$41 million in 2011-12, while the proposal to increase the flat-rate grant under STAS for needy primary and secondary students set out in paragraph 17 above would entail additional recurrent expenditure of around \$118 million¹⁸ in 2011-12. Based on the student profiles in the past years and projected student enrolment figures in the coming academic years, the estimated additional recurrent expenditure from 2011-12 to 2015-16 are set out as follows –

Means-tested grants disbursed to needy students at various levels under the nine means-tested financial assistance schemes of SFAA

	2011-12	2012-13	2013-14	2014-15	2015-16
	(\$ million)				
(A) Relaxation of SFAA's Means Test					
(i) Additional grants arising from relaxation of income ceiling for full level of assistance	429.5	440.3	438.1	432.3	429.6
(ii) Additional grants arising from adjustment of tiers of assistance for post-secondary students (including additional fee remission under KCFRS)	101.8	116.3	118.5	117.1	117.2
Sub-total	531.3	556.6	556.6	549.4	546.8

/(B)

¹⁸ This figure is the financial implication arising from the proposed increase of flat-rate grant under STAS in 2011-12 before relaxation of the threshold for full assistance. Additional financial implication thus increased has been included in the afore-mentioned \$430 million.

	2011-12	2012-13	2013-14	2014-15	2015-16
			(\$ million)		
(B) Additional grants arising from the increased academic expenses grant for needy post-secondary students	41.4	47.6	48.4	47.9	47.9
(C) Additional grants arising from the increased flat-rate grant under STAS ¹⁹	117.6	109.8	107.0	105.2	104.2
Total [(A)+(B)+(C)]	690.3	714.0	712.0	702.5	698.9

Means-tested loans disbursed to needy post-secondary students under TSFS and FASP

	2011-12	2012-13	2013-14	2014-15	2015-16
			(\$ million)		
Additional loans disbursed to needy post-secondary students under TSFS and FASP	78.8	90.5	92.1	91.0	91.0

The actual amount of disbursement each year will depend on such factors as the size of student population, the number of applications, the result of the means test of individual applicants, etc.

19. Subject to the approval of the Finance Committee (FC), a supplementary provision of \$573 million will be made to Head 173 Student Financial Assistance Agency Subhead 228 Student financial assistance for 2011-12 to meet the additional expenditure requirement. We have earmarked sufficient provision in the 2011-12 Estimates for the above purpose. The financial implications for 2012-13 and beyond will be reflected in the Estimates of the relevant years.

20. The additional requirement in means-tested loans in 2011-12 will be absorbed under Loan Fund Head 254 Loans to Students Subhead 101 Students of the universities, the Hong Kong Institute of Vocational Education and Hong Kong Design Institute of the Vocational Training Council, Prince Philip Dental Hospital, Hong Kong Institute of Education and Hong Kong Academy for Performing Arts and Subhead 103 Means-tested loan for post-secondary students. We shall earmark sufficient provision in the Estimates of subsequent years.

/21.

¹⁹ These figures represent the financial implications arising from the proposed increase of flat-rate grant under STAS from 2011-12 to 2015-16 before relaxation of the threshold for full assistance. Additional financial implications thus increased have been included in A(i) above.

21. SFAA envisages at this stage that no additional manpower is required to implement the above proposals based on the student profiles in the past years. Additional manpower resources, if required in future, will be sought in accordance with the established mechanism.

IMPLEMENTATION PLAN

22. SFAA has started processing the applications for student financial assistance for the 2011/12 academic year. Subject to FC's approval, we will assess the level of assistance of the applicants according to the relaxed means test mechanism and disburse the enhanced levels of both the academic expenses grant under TSFS and FASP and the flat-rate grant under STAS. We aim to disburse assistance to the first batch of needy students in August 2011.

PUBLIC CONSULTATION

23. We consulted the Legislative Council Panel on Education on the proposals to relax the means test of SFAA and to increase the academic expenses grant for needy post-secondary students on 9 May 2011. Members were generally supportive of the proposals. The Administration will provide supplementary information on student financial assistance requested by Members to the Panel. We presented the proposal to increase the flat-rate grant under STAS to the Panel at its meeting on 21 October 2010.

BACKGROUND

24. The Government's student finance policy is to ensure that no student would be deprived access to education due to lack of means. SFAA administers nine mean-tested financial assistance schemes to provide assistance to needy students at various levels to pursue studies. In the 2009/10 academic year, the total amount of means-tested grants disbursed by SFAA amounted to around \$3 billion.

25. Various means-tested financial assistance schemes were approved for implementation at various stages in the past with approval from FC. SFAA currently adopts a standard income test to assess the eligibility of individual applicants for financial assistance under nine schemes from pre-primary to post-secondary levels. In 1997, FC approved SFAA to adopt the existing income test mechanism, i.e. the AFI formula, to replace the previous Annual Disposable Income formula with effect from the 1998/99 academic year for assessing the eligibility of post-secondary students for means-tested financial assistance. In 2001,

FC approved SFAA to adopt the same AFI formula to replace the Points Scoring System for assessing the eligibility of kindergarten, primary and secondary students for means-tested financial assistance from the 2002/03 academic year onwards. The AFI formula is also applicable to students applying for tuition fee reimbursement under Project Yi Jin and the Financial Assistance Scheme for Designated Evening Adult Education Courses.

Education Bureau
May 2011

**Ready Reckoner for Income Test for 2011/12 academic year
(under the existing mechanism)**

No.	AFI Value between (\$)			Level of assistance			
				TSFS and FASP		STSS, STAS, IAS, EFRS	KCFRS
% of max grant	% of max loan						
1	0	and	21,532	100%	100%	Full assistance	
2	21,533	and	22,910	95%	96%	Half assistance	75% fee remission (AFI at or below \$31,298)
3	22,911	and	25,188	91%	92%		
4	25,189	and	27,466	86%	88%		
5	27,467	and	29,738	82%	83%		
6	29,739	and	31,967	72%	72%		
7	31,968	and	34,196	63%	61%		
8	34,197	and	36,427	53%	50%		
9	36,428	and	38,652	44%	39%		
10	38,653	and	40,824	36%	31%		
11	40,825	and	42,997	28%	24%		
12	42,998	and	45,173	21%	16%		
13	45,174	and	47,343	13%	9%		
14	47,344	and	49,582	11%	8%		
15	49,583	and	51,817	8%	6%		
16	51,818	and	54,055	6%	4%		
17	54,056	and	57,502	4%	2%		
18	Over		57,502	0%	0%	Nil	Nil
							30% assistance

Legend: AFI - Adjusted Family Income

Means-tested Financial Assistance Schemes

- EFRS - Examination Fee Remission Scheme
- FAEAEC - Financial Assistance Scheme for Designated Evening Adult Education Courses
- FASP - Financial Assistance Scheme for Post-secondary Students
- IAS - Subsidy Scheme for Internet Access Charges
- KCFRS - Kindergarten and Child Care Centre Fee Remission Scheme
- PYJ - Tuition Fee Reimbursement for Project Yi Jin
- STAS - School Textbook Assistance Scheme
- STSS - Student Travel Subsidy Scheme
- TSFS - Tertiary Student Finance Scheme - Publicly-funded Programmes

Asset Test - Sliding Scale of Net Asset Values Per Family Member for Discounting Grant and Loan Assistance (only for TSFS and FASP)

(for 2011/12 academic year)

Net Asset Value Per Family Member	Discounting Factor of Grant/Loan Assistance
Over \$561,000	-100% (i.e. no assistance)
\$471,001 to \$561,000	-80%
\$381,001 to \$471,000	-60%
\$301,001 to \$381,000	-40%
\$199,001 to \$301,000	-20%
\$199,000 or below	-0% (i.e. no reduction of assistance)

**New Ready Reckoner for Income Test for 2011/12 academic year
(after relaxation of the threshold for full level of assistance and adjustment of
tiers of assistance for post-secondary students)**

No.	AFI Value between (\$)			Level of assistance					
				TSFS and FASP		STSS, STAS, IAS, EFRS	KCFRS	PYJ	FAEAEC
				% of max grant	% of max loan				
1	0	and	21,532	100%*	100%*	Full assistance*			
2	21,533	and	22,910						
3	22,911	and	25,188						
4	25,189	and	27,466						
5	27,467	and	29,738						
6	29,739	and	31,967	75%	75%	75% fee remission	30% assistance	Half assistance	
7	31,968	and	34,196						
8	34,197	and	36,427	50%	50%	Half fee remission	30% assistance	Half assistance	
9	36,428	and	38,652						
10	38,653	and	40,824						
11	40,825	and	42,997						
12	42,998	and	45,173						
13	45,174	and	47,343	25%	25%	Half fee remission	30% assistance	Half assistance	
14	47,344	and	49,582						
15	49,583	and	51,817	15%	15%	Half fee remission	30% assistance	Half assistance	
16	51,818	and	54,055						
17	54,056	and	57,502						
18	Over		57,502	Nil	Nil	Nil	Nil	30% assistance	

Legend: AFI - Adjusted Family Income

* AFI thresholds for full level of assistance for 3-member and 4-member families would be \$36,000 and \$33,120 respectively.

Means-tested Financial Assistance Schemes

- EFRS - Examination Fee Remission Scheme
- FAEAEC - Financial Assistance Scheme for Designated Evening Adult Education Courses
- FASP - Financial Assistance Scheme for Post-secondary Students
- IAS - Subsidy Scheme for Internet Access Charges
- KCFRS - Kindergarten and Child Care Centre Fee Remission Scheme
- PYJ - Tuition Fee Reimbursement for Project Yi Jin
- STAS - School Textbook Assistance Scheme
- STSS - Student Travel Subsidy Scheme
- TSFS - Tertiary Student Finance Scheme - Publicly-funded Programmes

Asset Test - Sliding Scale of Net Asset Values Per Family Member for Discounting Grant and Loan Assistance (only for TSFS and FASP)

(for 2011/12 academic year)

Net Asset Value Per Family Member	Discounting Factor of Grant/Loan Assistance
Over \$561,000	-100% (i.e. no assistance)
\$471,001 to \$561,000	-80%
\$381,001 to \$471,000	-60%
\$301,001 to \$381,000	-40%
\$199,001 to \$301,000	-20%
\$199,000 or below	-0% (i.e. no reduction of assistance)