

For discussion on 21 June 2011

**Legislative Council Panel on Education
Progress in the Implementation of the Policy
of Debundling Textbooks and Teaching/Learning Materials for Pricing**

Purpose

This paper reports on the progress made in the implementation of the policy of debundling textbooks and teaching/learning materials for pricing and the related measures to be taken.

Background

2. In response to public concerns (especially from parents) about the ever-increasing textbook prices, the Government set up the Working Group on Textbooks and e-Learning Resources Development (WG) in October 2008 to study the development of textbooks and e-learning resources. Regarding textbook issues, the WG recommended the "five-year rule of no revision" and the policy of debundling textbooks and teaching/learning materials for pricing (debundling policy).

3. The Education Bureau (EDB) has implemented the "five-year rule of no revision" in the 2010/11 school year. Based on the media reports and information collected by the WG regarding the debundling policy, including views collected from parents and the school sectors in various consultation sessions, it is found that the complimentary learning and teaching resources currently provided by publishers are more than what is genuinely needed. This has resulted in a waste of resources and the continuous increase in textbook prices. If textbook publishers keep on promoting their textbooks through providing schools with these free resources, while adding the cost of production and promotion to the cost of textbook development, textbook prices will continue to increase. It is indeed unreasonable to have the parents pay for the development cost of these teaching and learning resources.

4. Hence, the WG Report recommended that the debundling policy be implemented in the 2010/11 school year to cover all textbooks, including existing, newly-published and newly-revised textbooks. The Consumer Council has openly requested that the debundling policy be implemented as soon as possible. The Independent Commission Against Corruption keeps

reminding schools and teachers not to accept any gifts from publishers, including complimentary teaching resources.

5. Last year, the EDB agreed to postpone implementing the debundling policy for one year upon the request of textbook publishers for more time to resolve copyright issues, while publishers also agreed to freeze textbook prices for the 2010/11 school year. An account of the EDB's decision for a one-year postponement has been submitted to this Panel. Publishers have understood well that after the one-year transitional period, the debundling policy must be fully implemented as scheduled.

Progress

Implementing the debundling policy

6. We are deeply disappointed and saddened by the apathetic attitude displayed by textbook publishers in the face of strong demands from different public sectors of the public, in particular the parents, for lower textbook prices and separate pricing of teaching materials. In fact, as mentioned above, the debundling policy was first scheduled to be implemented in 2012 and a year's transitional period was given upon the publishers' request for time to resolve the copyright issues. However, the publishers have recently used the same copyright issues as a reason for further deferral as they ask for three years, starting from 2012, to debundle all prices for textbooks and teaching materials. It is unacceptable to us that the textbook publishers should adopt the attitude of deferring the debundling of prices once and again.

7. If the EDB accedes to the publishers' request for three more years starting from the next school year for the debundling, the implementation of the debundling policy would in effect be taking five years, i.e. starting from the proposed 2009/10 school year, plus the one-year postponement and the additional three years for the debundling by phase. By the end of the fifth year and given the "five-year rule of no revision", the publishers are practically free to submit the existing textbooks as newly-revised or newly-published textbooks for EDB to review, and this means the publishers can avoid providing the debundled prices for the existing textbooks.

8. In addition, the EDB issued a circular memorandum dated 13 April 2011 to inform schools that, with immediate effect, they should not be accepting or demanding any complimentary teachers' books or teaching and learning resources from textbook publishers. Furthermore, schools should not be accepting from textbook publishers or retailers any donations or any other forms of benefits, including the offers of floral baskets and luxurious entertainments.

Temporary measures

9. To fully examine the impact of the debundling policy on schools, the Secretary for Education (SED) met with subject panel heads from more than 100 primary and secondary schools between 11 and 20 May. All these teachers supported the debundling policy and pointed out that only a small portion of the complimentary teaching materials provided by textbook publishers was frequently used. With most of the complimentary materials not being used, it was considered a waste and unfriendly to the environment to be producing such materials. The most urgent need among the teachers was access to:

- the inspection copies of textbooks when selecting new textbooks for use; and
- the assessment banks developed by textbook publishers, in particular the assessment banks for the Secondary 6 (S6) level in order to prepare their students for the first Hong Kong Diploma of Secondary Education to be held in the coming year.

10. To meet teachers' pressing needs, the EDB issued another circular memorandum dated 1 June to inform schools of the special measures to be adopted by the EDB:

- Permitting schools to borrow from publishers inspection copies of textbooks (including existing, newly-published and newly-revised textbooks) to facilitate teachers' textbook selection; and
- Permitting S6 teachers to borrow the assessment bank materials from publishers for use in the 2011/12 school year.

Schools should return all the inspection copies of textbooks and the assessment materials borrowed from the publishers by the end of the school year. The EDB believes that these temporary measures will not have any impact on textbook pricing while meeting the objectives of the debundling policy.

Revising the Recommended Textbook List

11. The EDB considers it unreasonable that the publishers should further request three years to provide debundled prices for all textbooks and teaching/learning materials. The EDB now requests the textbook publishers to, within one year, provide the selling prices for teaching materials that are most needed by teachers, including major items like teachers' books, assessment bank

materials, audio discs, etc. The EDB has repeatedly indicated that sufficient resources would be provided for schools to purchase teaching materials.

12. The EDB uploaded the Recommended Textbook List (RTL) for the 2011/12 school year to its website on 31 May. To ensure openness to information, three additional items have been included in this RTL:

- a comparison of the different subject textbook prices for the current and previous school years;
- separate lists for textbooks with and without debundled prices; and
- the learning and teaching materials developed by the Curriculum Development Institute (CDI) available on the Web.

In addition, a set of frequently asked questions related to the debundling issues, together with the answers, has also been uploaded to the RTL website for reference.

Schools' resources for the purchase of teaching materials

13. The EDB provides schools with a one-off block grant (Operating Expenses Block Grant) for their flexible use to purchase teaching materials and meet daily operational needs. In the absence of pricing information, it cannot be ascertained whether schools have sufficient resources to purchase teaching materials. Nevertheless, the EDB has repeatedly indicated that, if schools do not have sufficient resources to purchase the necessary teaching materials, additional resources can be allocated through the existing funding mechanism. The EDB emphasises that the publishers should first debundle the prices for all textbooks and teaching materials. Then we would conduct a survey to find out the real situation regarding schools' purchase of teaching materials.

Developing a one-stop online platform (for web-based teaching and learning materials)

14. Complimentary teaching materials developed and provided by textbooks publishers are not the only teaching resources available. Over the years, the CDI has produced a large number of web-based teaching and learning materials. In addition, the CDI has commissioned tertiary institutes to develop full sets of teaching materials on curricular areas where publishers fail to provide any textbooks or any teaching/learning resources. The CDI will further enhance the production of teaching materials in supporting teachers, such as the provision of assessment banks to meet the urgent needs of the S6

teachers in particular. Furthermore, the HKEdCity provides plenty of teaching and learning materials.

15. In the coming year, a one-stop online platform will be developed to facilitate teachers' easy access to the large number of web-based teaching and learning materials produced by the EDB.

Way Forward

Introducing competition to the textbook and teaching materials market

16. The EDB will now maintain a dialogue with the publishers in order to resolve the problems with debundling. After the next school year, if the publishers still refuse to debundle their teaching materials for pricing, the EDB will tender out the development of textbooks and teaching materials to introduce more competition to the market.

Setting up a Task Force

17. As the distortion of the textbook market is becoming more serious, the EDB has set up a task force to review issues arising from the debundling policy. The operation of the RTL and other measures concerning the supply of teaching and learning materials will be considered in particular with a view to ensuring the provision of quality and value-for-money materials. The first meeting of the task force was held on 11 June. A report will be submitted to the SED by the end of 2011.

18. The EDB would report to the Panel on the latest development regarding the debundling policy.

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