

**立法會**  
**Legislative Council**

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**Panel on Education**  
**Meeting on 9 December 2013**

**Background brief on**  
**issues related to the injection into the Language Fund**

**Purpose**

This paper provides background information on the Language Fund and summarizes recent deliberations by Members on issues related to the injection into the Language Fund.

**Background**

2. The Language Fund was set up in March 1994 with an initial allocation of \$300 million to fund projects and activities aimed at improving Hong Kong people's proficiency in Chinese (including Putonghua) and English. It is held in trust under the Permanent Secretary for Education Incorporation Ordinance (Cap. 1098). The Fund is operated in accordance with a Trust Deed which sets out the objects of the Fund, the broad principles governing the disbursements, as well as its management framework. Its annual audited accounts are tabled in the Legislative Council. The Standing Committee on Language Education and Research ("SCOLAR"), which was established in 1996, advises the Government on the use of the Language Fund and language education issues in general.

3. Since 1994, the Finance Committee ("FC") has approved six injections into the Language Fund<sup>1</sup> as follows:

| Year | Injection (\$million) |
|------|-----------------------|
| 1994 | 300                   |
| 2001 | 200                   |
| 2003 | 400                   |
| 2005 | 500                   |
| 2006 | 1,100                 |
| 2010 | 500                   |

<sup>1</sup> See the Controlling Officer's Reply (Serial No. EDB049) to Initial Written Question in the examination of Estimates of Expenditure 2013-14.

4. Projects funded by the Language Fund fall into four broad categories, namely, promotion of Chinese, promotion of English, promotion of Putonghua and promotion of cross-languages. In the past five financial years (i.e. from 2008-2009 to 2012-2013 (up to January 2013)), the Fund has financed some 90 projects and activities. Examples include the Overseas Immersion Programme for English Teachers & Principals on English Language Education, Workplace English Campaign, English Enhancement Grant Scheme for Primary Schools, Project of After-school Extended Chinese Learning for non-Chinese Speaking ("NCS") Students, Vocational English Enhancement Programme, Pilot Project on Supporting NCS Children in Learning Chinese, Refined English Enhancement Scheme ("EES") etc.

5. According to the information provided by the Education Bureau ("EDB") to FC<sup>2</sup> in late March 2013, the expenditure of the Language Fund in the past five years was as follows:

| Financial year                    | Expenditure (\$million) |
|-----------------------------------|-------------------------|
| 2008-2009                         | 295.2                   |
| 2009-2010                         | 251.4                   |
| 2010-2011                         | 322.3                   |
| 2011-2012                         | 493.7                   |
| 2012-2013 (up to 31 January 2013) | 370.3                   |

As at 31 January 2013, the available balance of the Language Fund was \$95 million.

## **Recent deliberations**

### Discussion at the Panel on Education

6. Over the years, the Panel on Education ("the Panel") had been consulted on each of the Administration's proposed injections into the Language Fund. Whilst indicating support in principle, members sought details and gave their views on some of the projects and activities to be financed by the Fund. One of the common concerns that had emerged from past discussions was whether the Language Fund had helped enhance language education and promote the language proficiency of people in Hong Kong.

7. In the Fourth Legislative Council, when considering the latest proposed injection of \$500 million into the Language Fund to fund various initiatives at the meeting held on 13 May 2010, members of the Panel raised the following

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<sup>2</sup> See the Controlling Officer's Reply (Serial No. EDB261) to Initial Written Question in the examination of Estimates of Expenditure 2013-14.

concerns -

*Funding for the initiative of Refined EES*

8. Under the previous EES, the funding ceilings for schools using Chinese as the medium of instruction ("CMI schools") and schools using the English medium of instruction ("EMI schools") were set at \$3 million and \$0.5 million respectively. Following the implementation of the Fine-tuning of the Medium of Instruction for Secondary Schools ("MOI Fine-tuning") starting from Secondary 1 in the 2010-2011 school year, schools would no longer be classified into CMI schools and EMI schools. The budgetary ceiling for the proposed Refined EES would be set at a uniform level of \$1 million for each applicant secondary school. Question was raised about the adequacy of the lowered budgetary ceiling of \$1 million for those schools which continued to use Chinese as MOI, as their students had yet to attain a satisfactory level of English proficiency.

9. According to the Administration, the school councils and associations had agreed that after implementation of MOI Fine-tuning, students would be provided with more opportunities of exposure to English at schools. They also agreed that since schools would no longer be classified into CMI and EMI schools, the uniform budgetary ceiling of \$1 million for each applicant school would be appropriate.

10. In the supplementary information provided to the Panel<sup>3</sup>, EDB advised that upon approval of the schools' proposals under EES, schools were required to enter into a performance contract with the Government which included their implementation details and output targets to be achieved. The Administration would be able to have an overall assessment of the schools' performance in achieving the targets set upon completion of their school-based measures under EES by 2013-2014.

*English proficiency of local students*

11. Some members pointed out that as reflected by employers in the public and private sectors, the English standard of local students and workforce was low. Concern was raised as to whether the various initiatives funded by the Language Fund had been effective in raising the English proficiency of local people.

12. The Administration referred to internationally recognized assessment programmes, and informed members that local graduates attained an average score of 6.46 in 2002 and 6.69 in 2008-2009 against a 9-band scale in the

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<sup>3</sup> See LC Paper No. CB(2)1720/09-10(01).

International English Language Testing System ("IELTS") examinations, which was the level of a competent user of English. The Administration concurred with members on the importance of English proficiency, given Hong Kong's status as an international finance centre. It also referred to surveys conducted by a foreign chamber of commerce revealing a satisfactory level of English proficiency among local employees.

13. Regarding some members' concern about the English proficiency of students studying in schools using Chinese as MOI, EDB informed the Panel that the Education Commission, upon reviewing the MOI and the Secondary School Place Allocation system in 2005, had noted that the overall English Language standard of CMI students was on a steady rise. The Commission considered that this showed that some CMI schools had adopted effective teaching strategies in English Language and achieved improved outcomes<sup>4</sup>.

#### Consideration by FC

14. The latest proposed injection of \$500 million into the Language Fund was approved by FC on 11 June 2010. In the course of deliberation, members highlighted the following concerns –

#### *Support for NCS students in learning Chinese*

15. Members noted that out of the total injection, \$77 million were earmarked for implementing a project on after-class support for NCS students in non-designated schools<sup>5</sup>. Some members questioned whether this level of provision was adequate in supporting the learning of Chinese by NCS students. As explained by the Administration, the proposed project was in addition to other support measures, and would complement the after-school support service of the Chinese Language Learning Support Centres operated by the University of Hong Kong.

#### *Other learning resources*

16. Some members considered that the Administration should step up effort to provide the public with practical information on the availability of learning resources, such as the subsidies and learning platforms available, as well as the relevant application procedures. The Administration was asked to develop more initiatives to facilitate self-learning and raise the language proficiency of

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<sup>4</sup> See LC Paper No. CB(2)1720/09-10(01).

<sup>5</sup> According to the information provided by EDB to the Panel for the meeting on 9 July 2013 [LC Paper No. CB(4)852/12-13(05)], a revised mode of support would be adopted in the 2013-2014 school year under which the Administration would, based on the existing funding arrangements, provide an additional grant to schools admitting 10 or more NCS students. Members noted that schools would no longer be categorized into the so-called "designated schools" and "non-designated schools" for the purpose of funding support.

Hong Kong's workforce, and make wider use of new media to promote language learning. The Administration took note of and undertook to convey members' views to SCOLAR for consideration.

### **Latest developments**

17. In his Budget Speech delivered in February 2013, the Financial Secretary proposed to inject \$5 billion into the Language Fund to provide financial support for projects and activities aimed at promoting bi-literacy and tri-lingualism of the people in Hong Kong.

18. Members raised various written questions on the proposed injection in the examination of the Estimates of Expenditure 2013-2014. For instance, regarding the nature of the funding being sought, the Administration replied that the proposed injection of \$ 5 billion was a seed funding to help provide a stable stream of funding for the Language Fund to facilitate its longer-term planning<sup>6</sup>. The Administration also confirmed that there was no intention to change the remit of the Language Fund<sup>7</sup>. In reply to questions about the monitoring of the initiatives supported by the Language Fund, the Administration explained that monitoring visits and feedback surveys were carried out on funded projects and activities<sup>8</sup>.

19. The Administration will brief the Panel on its proposed injection of \$5 billion into the Language Fund at the meeting on 9 December 2013.

Council Business Division 4  
Legislative Council Secretariat  
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<sup>6</sup> See the Controlling Officer's Reply (Serial No. EDB142) to Initial Written Question in the examination of Estimates of Expenditure 2013-14.

<sup>7</sup> See the Controlling Officer's Reply (Serial No. EDB002) to Initial Written Question in the examination of Estimates of Expenditure 2013-14.

<sup>8</sup> See the Controlling Officer's Reply (Serial No. EDB261) to Initial Written Question in the examination of Estimates of Expenditure 2013-14.

List of relevant papers

| Committee          | Date of meeting | Paper  |
|--------------------|-----------------|--|
| Panel on Education | 15.1.2001       | <a href="#">Minutes</a><br><a href="#">CB(2)666/00-01(04)</a>  |
| Panel on Education | 20.1.2003       | <a href="#">Minutes</a><br><a href="#">EMB/SSU/CR 6/2041/96</a><br><a href="#">Consultation paper and leaflet entitled "Action plan to raise language standards in Hong Kong"</a>                          |
| Panel on Education | 7.2.2005        | <a href="#">Minutes</a><br><a href="#">CB(2)795/04-05(04)</a><br><a href="#">CB(2)884/04-05(01)</a>  |
| Panel on Education | 12.12.2005      | <a href="#">Minutes</a><br><a href="#">CB(2)581/05-06(01)</a><br><a href="#">CB(2)581/05-06(03)</a>  |
| Panel on Education | 13.5.2010       | <a href="#">Minutes</a><br><a href="#">CB(2)1484/09-10(04)</a><br><a href="#">CB(2)1484/09-10(05)</a><br><a href="#">CB(2)1720/09-10(01)</a>   |
| Finance Committee  | 11.6.2010       | <a href="#">Minutes</a><br><a href="#">FCR(2010-11)23</a>  |
| Finance Committee  | 12.4.2013       | <a href="#">Administration's replies to members' initial written questions in examining the Estimates of Expenditure 2013-2014</a><br><a href="#">(Reply serial number: EDB001, 002, 049, 142 and 261)</a> |