

**For discussion  
on 9 May 2016**

## **Legislative Council Panel on Education**

### **Subsidising Students of Professional Part-time Programmes**

#### **Purpose**

This paper briefs Members on Government's proposal to implement a pilot scheme to provide tuition fee subsidy for three cohorts of students admitted to designated professional part-time programmes offered by the Vocational Training Council (VTC).

#### **Background**

2. Vocational and professional education and training has been playing a pivotal role in nurturing the requisite human capital in support of Hong Kong's development by providing multiple and flexible pathways for people with diverse aspirations and abilities. It also helps unleash the different potentials of individuals, enabling them to move up the social ladder.

3. In order to further encourage continuing education, the Financial Secretary announced in the 2016-17 Budget the implementation of a pilot scheme to provide tuition fee subsidy for three cohorts of students admitted from the 2016/17 academic year (AY) to designated professional part-time programmes offered by VTC, covering programmes in the disciplines of construction, engineering and technology. The pilot scheme targets to encourage working adult learners to pursue higher qualifications which help enhance their upward mobility.

#### **Justifications**

##### *Part-time programmes*

4. Similar to full-time programmes, part-time programmes are developed to cultivate in learners a specific knowledge and skills domain. They play an important role in promoting continuing education and enhancing the

competitiveness of workforce as the part-time mode of study allows working adults to receive education and training during employment for career advancement.

5. In view of the booming engineering and construction services industries, related trades are facing keen manpower demand. These trades are highly specialised and have a comparatively high skill requirement which renders recruitment and retention of employees more difficult. In this connection, VTC's full-time Higher Diploma (HD) graduates of the relevant disciplines are well received by the employers as evidenced by their high employment rate and comparatively high starting salary. Graduates of similar part-time programmes should be equally popular as both full-time and part-time programmes have the same exit standard and graduates are equipped with identical skills and knowledge to meet the manpower needs of local industries. Part-time graduates are considered to be even more competitive as they have years of work experience when compared to the full-time counterparts.

6. Although these part-time programmes could provide students with good career prospects, most part-time programmes in the construction and engineering disciplines are offered on a self-financing basis<sup>1</sup> and are relatively expensive and hence some low-income learners may find it difficult to afford them. For reference, the tuition fees of a part-time HD programme (with a normal duration of study of three years) offered by VTC in the 2015/16 AY ranges from some \$70,000 to around \$90,000 and that of a part-time Professional Diploma / Professional Certificate programme (with a normal duration of study of six months to two years) ranges from around \$6,000 to \$50,000.

#### *Proposed Subsidy Scheme for Students of Professional Part-time Programmes*

7. We propose launching a pilot scheme to provide tuition fee subsidy for three cohorts of students admitted to designated professional part-time programmes offered by VTC in the disciplines of construction, engineering and technology. Under the pilot scheme, eligible applicants for the subsidy should meet all the following criteria –

- (a) a resident of Hong Kong who is lawfully employable in Hong Kong; and

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<sup>1</sup> Those offered for registered apprentices under the Apprenticeship Ordinance (Cap. 47) and the retraining programmes under the Employees Retraining Board are publicly-funded.

- (b) has newly and successfully enrolled for the first time into the relevant self-financing part-time programme offered by VTC<sup>2</sup>. The programme enrolled should be –
- (i) accredited at Qualifications Framework (QF) Level 3 to 5 by the Hong Kong Council for Accreditation of Academic and Vocational Qualifications, excluding Associate Degree and bachelor’s degree programmes; and
  - (ii) under the area of study/training in “Architecture and Town Planning” or “Engineering and Technology” under the classification of the Hong Kong Qualifications Register (QR)<sup>3</sup>.

8. Successful applicants will be refunded 60% of the tuition fees of eligible programmes, subject to a maximum of \$45,000 per person. Applicants may apply for fee refund for not more than two programmes under the pilot scheme. The tuition fee will be reimbursed by instalments at the end of each term of the programme upon successful completion. Refunds will be granted on a first-come-first-served basis with no pre-set quota for individual programmes.

9. A list of eligible programmes/qualifications offered by VTC by area of study/training under the Hong Kong QR and QF level as at 15 April 2016 (excluding programmes to be phased out starting from the 2016/17 academic year) is at **Annex**. It should however be noted that there may be changes to the award titles to some of the programmes later in 2016. Also, some new programmes that meet the criteria stated in paragraph 7 above are in the pipeline and will be introduced by VTC later.

### *Implementation and Review*

10. Subject to the approval by Finance Committee (FC) within the 2015-16 legislative year, the pilot scheme will be launched starting from the 2016/17 AY and benefit around 5 600 students in total for three cohorts. A review on the effectiveness of the pilot scheme will be conducted in due course by collecting data such as the number of applications and completion rate as well as feedback from relevant parties.

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<sup>2</sup> Any proposed increase in tuition fee levels of the relevant programmes above the increase of the Consumer Price Index for the year is subject to the approval of the Education Bureau.

<sup>3</sup> The Hong Kong QR is a centralised online database containing information on quality assured qualifications under the Hong Kong QF.

## FINANCIAL IMPLICATIONS

11. The proposal will incur a non-recurrent expenditure of \$200 million for three cohorts of students, including the administrative cost for VTC to implement the scheme. The estimated cash flow requirement from the 2016-17 to 2021-22 financial years is as follows –

	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	<b>Total</b>
Tuition fee subsidy (\$ million)	6.3	33.1	55.7	60.2	27.6	6.1	189.0
Administrative cost (\$ million)	1.0	2.0	2.0	2.0	2.0	1.0	10.0
<b>Total (\$ million)</b>	<b>7.3</b>	<b>35.1</b>	<b>57.7</b>	<b>62.2</b>	<b>29.6</b>	<b>7.1</b>	<b>199.0</b>

The pilot scheme may be extended in case there are unexpended funds after implementation for the three cohorts.

## WAY FORWARD

12. Subject to Members' views, we plan to submit the proposal to FC for funding approval in June 2016.

**Education Bureau**  
**May 2016**

**List of Eligible Programmes / Qualifications under Vocational Training Council  
by Area of Study / Training under Hong Kong Qualifications Register  
and Qualifications Framework (QF) Level**

**(as at 15 April 2016)**

**Architecture and Town Planning**

	<b>Programme / Qualification</b>	<b>QF Level</b>
1.	Professional Diploma in Construction Site Supervision (QF Level 4)	4
2.	Professional Certificate in Building Diagnosis and Inspection	4
3.	Professional Certificate in Building Maintenance Management	4
4.	Professional Diploma in Horticulture and Landscape Management	4

**Engineering and Technology**

	<b>Programme / Qualification</b>	<b>QF Level</b>
1.	Diploma in Automotive Engineering <sup>Note</sup>	3
2.	Diploma in Building Services Engineering <sup>Note</sup>	3
3.	Diploma in Building Studies <sup>Note</sup>	3
4.	Diploma in Civil Engineering <sup>Note</sup>	3
5.	Diploma in Electrical Engineering <sup>Note</sup>	3
6.	Diploma in Mechanical Engineering <sup>Note</sup>	3
7.	Diploma in Surveying <sup>Note</sup>	3
8.	Certificate in Railway Engineering (Data Collection and System Assurance Module)	4
9.	Certificate in Railway Engineering (Drives and Traction & Electromagnetic Compatibility Module)	4
10.	Certificate in Railway Engineering (Intermittent and Hidden Fault Finding in Train Module)	4
11.	Certificate in Railway Engineering (Modern Railway Organizations and Infrastructures Module)	4
12.	Certificate in Railway Engineering (Railway Asset Management Module)	4
13.	Certificate in Railway Engineering (Railway System Assurance Module)	4
14.	Certificate in Railway Engineering (Signalling Circuits and Systems Module)	4
15.	Certificate in Railway Engineering (Signalling Design and Applications Module)	4
16.	Certificate in Railway Engineering (Signalling Principles Module)	4
17.	Higher Diploma in Aircraft Maintenance Engineering	4

<sup>Note</sup> Students may exit from the Higher Diploma programmes they studied with an intermediate award at Diploma level upon meeting the stipulated requirements.

	<b>Programme / Qualification</b>	<b>QF Level</b>
18.	Higher Diploma in Automotive Engineering	4
19.	Higher Diploma in Building Services Engineering	4
20.	Higher Diploma in Building Studies	4
21.	Higher Diploma in Civil Engineering	4
22.	Higher Diploma in Electrical Engineering	4
23.	Higher Diploma in Mechanical Engineering	4
24.	Higher Diploma in Surveying	4
25.	Professional Certificate in Android Phone Applications Development	4
26.	Professional Certificate in Automotive Technology	4
27.	Professional Certificate in Electrical and Mechanical Technology in Buildings (Construction)	4
28.	Professional Certificate in Electrical and Mechanical Technology in Buildings (Maintenance)	4
29.	Professional Certificate in Environmental Management for Construction (Environmental Officer)	4
30.	Professional Certificate in Fashion Jewellery Design and Marketing	4
31.	Professional Certificate in Fine Jewellery Design and Brand Management	4
32.	Professional Certificate in Green Building Technology	4
33.	Professional Certificate in Green Lighting Technology and Application	4
34.	Professional Certificate in iPhone Applications Development	4
35.	Professional Certificate in Marine Operations	4
36.	Professional Certificate in Product Testing	4
37.	Professional Certificate in Quantity Surveying Practice	4
38.	Professional Certificate in Railway Signalling System	4
39.	Professional Certificate in Rolling Stock Maintenance	4
40.	Professional Certificate in Shipboard Operations	4
41.	Professional Certificate in Watch Services Management	4
42.	Professional Certificate in Watch Technology and Repairing	4
43.	Professional Diploma in Automotive Technology and Management	4
44.	Professional Diploma in Electrical and Mechanical Technology in Buildings	4
45.	Professional Diploma in Environmental Technology and Management	4
46.	Professional Diploma in Fine & Fashion Jewellery	4
47.	Professional Diploma in Marine Operations	4
48.	Professional Diploma in Mobile Applications Development	4
49.	Professional Diploma in Railway Engineering	4
50.	Professional Diploma in Watch Technology and Services Management	4
51.	Professional Diploma in Plumbing Engineering for Building Services	5