

**立法會**  
***Legislative Council***

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**Finance Committee of the Legislative Council**

**Minutes of the 64<sup>th</sup> meeting  
held at Conference Room 1 of the Legislative Council Complex  
on Wednesday, 19 July 2017, at 11:10 am**

**Members present:**

Hon CHAN Kin-por, GBS, JP (Chairman)  
Hon LEUNG Yiu-chung  
Hon Tommy CHEUNG Yu-yan, GBS, JP  
Prof Hon Joseph LEE Kok-long, SBS, JP  
Hon Jeffrey LAM Kin-fung, GBS, JP  
Hon Starry LEE Wai-king, SBS, JP  
Hon CHAN Hak-kan, BBS, JP  
Dr Hon Priscilla LEUNG Mei-fun, SBS, JP  
Hon WONG Kwok-kin, SBS, JP  
Hon Paul TSE Wai-chun, JP  
Hon Claudia MO  
Hon Steven HO Chun-yin, BBS  
Hon WU Chi-wai, MH  
Hon YIU Si-wing, BBS  
Hon MA Fung-kwok, SBS, JP  
Hon Charles Peter MOK, JP  
Hon CHAN Chi-chuen  
Hon CHAN Han-pan, JP  
Hon Alice MAK Mei-kuen, BBS, JP  
Dr Hon KWOK Ka-ki  
Hon KWOK Wai-keung, JP  
Hon Christopher CHEUNG Wah-fung, SBS, JP  
Dr Hon Fernando CHEUNG Chiu-hung  
Dr Hon Helena WONG Pik-wan  
Hon IP Kin-yuen

Hon Martin LIAO Cheung-kong, SBS, JP  
Hon POON Siu-ping, BBS, MH  
Dr Hon CHIANG Lai-wan, JP  
Ir Dr Hon LO Wai-kwok, SBS, MH, JP  
Hon CHUNG Kwok-pan  
Hon Alvin YEUNG  
Hon Andrew WAN Siu-kin  
Hon CHU Hoi-dick  
Hon Jimmy NG Wing-ka, JP  
Hon HO Kai-ming  
Hon LAM Cheuk-ting  
Hon Holden CHOW Ho-ding  
Hon SHIU Ka-fai  
Hon SHIU Ka-chun  
Hon Wilson OR Chong-shing, MH  
Dr Hon Pierre CHAN  
Hon CHAN Chun-ying  
Hon CHEUNG Kwok-kwan, JP  
Hon HUI Chi-fung  
Hon LUK Chung-hung  
Hon LAU Kwok-fan, MH  
Hon KWONG Chun-yu  
Hon Jeremy TAM Man-ho

**Members absent:**

Hon Michael TIEN Puk-sun, BBS, JP (Deputy Chairman)  
Hon James TO Kun-sun  
Hon Abraham SHEK Lai-him, GBS, JP  
Hon WONG Ting-kwong, GBS, JP  
Hon Mrs Regina IP LAU Suk-yee, GBS, JP  
Hon Frankie YICK Chi-ming, SBS, JP  
Hon LEUNG Che-cheung, SBS, MH, JP  
Hon Kenneth LEUNG  
Hon Dennis KWOK Wing-hang  
Dr Hon Elizabeth QUAT, BBS, JP  
Dr Hon Junius HO Kwan-yiu, JP  
Hon YUNG Hoi-yan  
Hon Tanya CHAN  
Hon Kenneth LAU Ip-keung, BBS, MH, JP  
Dr Hon CHENG Chung-tai

**Public officers attending:**

Ms Alice LAU Yim, JP	Permanent Secretary for Financial Services and the Treasury (Treasury)
Ms Jenny CHOI Mui-fun	Acting Deputy Secretary for Financial Services and the Treasury (Treasury)1
Mr Raistlin LAU, JP	Deputy Secretary for Financial Services and the Treasury (Treasury)3
Mr Alfred ZHI Jian-hong	Principal Executive Officer (General), Financial Services and the Treasury Bureau (The Treasury Branch)
Mr Kevin YEUNG Yun-hung, JP	Secretary for Education
Mr Brian LO Sai-hung, JP	Acting Permanent Secretary for Education
Mrs Angelina CHEUNG, JP	Deputy Secretary for Education (6)
Mr Godwin LAI Kam-tong	Principal Assistant Secretary for Education (Special Education), Education Bureau

**Clerk in attendance:**

Ms Anita SIT	Assistant Secretary General 1
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**Staff in attendance:**

Ms Ada LAU	Senior Council Secretary(1)7
Mr Raymond SZETO	Council Secretary (1)5
Ms Alice CHEUNG	Senior Legislative Assistant (1)1
Mr Frankie WOO	Senior Legislative Assistant (1)3
Miss Yannes HO	Legislative Assistant (1)6

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**Item No. 1 — FCR(2017-18)24**

**HEAD 156 — GOVERNMENT SECRETARIAT: EDUCATION  
BUREAU**

**Subhead 000— Operational expenses**

The Finance Committee ("FC") continued with the deliberation on item FCR(2017-18)24.

Non-means-tested subsidy scheme for self-financing undergraduate studies in Hong Kong and the Mainland

2. Dr Helena WONG declared that she was teaching in The Hong Kong Polytechnic University, but did not teach any self-financing programme in the university. She said that the Democratic Party supported the funding proposal in principle. However, Dr WONG was concerned that the Administration's decision on the coverage of the proposed non-means-tested subsidy scheme for self-financing undergraduate studies in Hong Kong and the Mainland ("Subsidy Scheme") was made before the completion of the review of the way forward of sub-degree programmes and the role and positioning of the self-financing post-secondary sector. As such, those students who had been enrolled in sub-degree programmes and the self-financing undergraduate programmes operated by University Grants Committee ("UGC")-funded institutions could not benefit from the proposed Subsidy Scheme.

3. Mr CHAN Chi-chuen, Dr KWOK Ka-ki, Mr IP Kin-yuen, Mr KWONG Chun-yu and Mr Andrew WAN echoed the concerns raised by Dr WONG, saying that under the proposed Subsidy Scheme, students should be allowed to choose the desired tertiary programmes, regardless of whether they were operated by a self-financing institution or a UGC-funded institution.

4. Dr Fernando CHEUNG requested the Administration to either increase the number of places of UGC-funded undergraduate programmes, or subsidize 80% of the tuition fees payable by students enrolled in self-financing undergraduate programmes. Mr WU Chi-wai also asked whether the Administration would increase the number of UGC-funded first-year-first-degree places and if so, the amount of additional expenditure that would be incurred.

5. Mr SHIU Ka-chun declared that he was teaching in the Hong Kong Baptist University. Mr SHIU, Dr KWOK Ka-ki, Mr LEUNG Yiu-chung and Mr KWONG Chun-yu considered that the arrangement of excluding students of sub-degree programmes from the proposed Subsidy Scheme was not fair. They questioned whether the Administration intended to let sub-degree programmes fade out from the market.

6. Regarding the students of sub-degree programmes who had applied for student loans, Mr LEUNG Yiu-chung asked whether the Administration could consider waiving the loan interests payable by these students, so as to alleviate their financial burden.

7. Mr IP Kin-yuen said that the measures in the funding proposal were formulated by the Administration after listening to the views of stakeholders in the education sector and they reflected the aspirations of the education sector. However, Mr IP urged the Administration to speed up its review of the role and positioning of the self-financing post-secondary sector, and provide financial support for students of self-financing undergraduate programmes operated by UGC-funded institutions.

8. Mr CHU Hoi-dick said that even though the Administration had introduced education improvement measures after listening to the views of the education sector, the final decision of whether to implement the measures still rested with the Administration. The aforesaid decision-making process was basically different from his proposition that decision on the use of public resources should rest with members of the public and their representatives (i.e. Members of the Legislative Council ("LegCo")).

9. Noting that under the proposed Subsidy Scheme, an annual subsidy of \$5,000 was provided to an eligible student pursuing an eligible undergraduate programme in the Mainland, Ms Starry LEE considered that this level of subsidy was indeed too low. She asked how the level of subsidy was set and whether it would be increased in future.

10. Mr Jeremy TAM asked whether the Administration would consider extending the coverage of the proposed Subsidy Scheme to those students pursuing undergraduate programmes overseas. In his view, if the programmes provided by overseas institutions were accredited by the Hong Kong Council for Accreditation of Academic and Vocational Qualifications, those students who were enrolled in the related programmes were also eligible for the subsidy.

11. Mr Andrew WAN considered that the admission of too many non-local students by UGC-funded institutions in their undergraduate programmes would deplete the educational resources for local students. He urged that the Administration should request the institutions to convert the relevant school places for admission of local students.

12. Mr CHAN Chi-chuen was concerned about the details of the review of the role and positioning of the self-financing post-secondary sector, and when it would be completed.

13. Dr Pierre CHAN asked: (a) whether a student who attained "3322" in the Hong Kong Diploma for Secondary Education Examination ("HKDSE") in any year and was enrolled in an eligible self-financing undergraduate programme was eligible for the subsidy under the proposed Subsidy Scheme; and (b) whether the Administration would put the two different regimes governing the operation of UGC-funded institutions and self-financing institutions under one regulatory system.

14. Mr WU Chi-wai asked: (a) how the Administration had worked out that 39 000 students could benefit from the proposed Subsidy Scheme annually; and (b) how the Administration would use the amount of unused subsidy, if any, under the proposed Subsidy Scheme.

15. Secretary for Education ("SED") responded that:

- (a) the proposed Subsidy Scheme aimed to subsidize those students who attained "3322" in HKDSE (i.e. the minimum admission requirements of UGC-funded undergraduate programmes) but were unable to pursue the related programmes and had to be enrolled in the undergraduate programmes run by self-financing institutions. The subsidy would be granted to such students, regardless of the year in which the students attained the required HKDSE results;
- (b) every year, there were about 5 000-odd students who complied with the conditions set out in sub-paragraph (a) above. As undergraduate programmes usually took four years to complete, on this calculation basis, about 23 000 students would receive such subsidy. Besides, the target groups of the proposed Subsidy Scheme also included graduates of sub-degree programmes pursuing self-financing top-up degree programmes (about 12 000 students) and students pursuing undergraduate programmes in the Mainland (about 4 000 students);

- (c) given that the HKDSE results of about 30% of the students could only meet the minimum admission requirements of sub-degree programmes (i.e. Level 2 in five HKDSE subjects), the Administration had no intention to abolish sub-degree programmes at the present stage. However, students pursuing sub-degree programmes were not the target group of the proposed Subsidy Scheme;
- (d) the Administration would only consider whether to extend the coverage of the proposed Subsidy Scheme to self-financing undergraduate programmes run by UGC-funded institutions upon completion of its review of the role and positioning of the self-financing post-secondary sector;
- (e) given that the number of school-age students enrolling in universities would continue to decline in the coming few years, the Administration had no plan to increase the number of UGC-funded first-year-first-degree places (currently 15 000 places per year);
- (f) the proposed Subsidy Scheme would allow self-financing institutions and UGC-funded institutions to develop on a relatively level playing field;
- (g) since cost auditing had not been conducted on self-financing undergraduate programmes, the Administration considered it inappropriate to provide 80% tuition fee subsidy for students enrolled in such programmes;
- (h) at present, the Mainland Government was the only government that had signed with Hong Kong a memorandum of understanding on mutual recognition of academic degrees in higher education, and some higher education institutions in the Mainland would admit Hong Kong students on the basis of their HKDSE results. Therefore, the proposed Subsidy Scheme merely covered those students pursuing undergraduate programmes in the Mainland;

- (i) the annual subsidy level of \$5,000 for eligible students pursuing eligible undergraduate programmes in the Mainland was set by the Administration after making reference to the tuition fees level in the Mainland, and the amount of subsidy would be reviewed in future. Besides, other student subsidy schemes had also been put in place to assist students with financial difficulties;
- (j) non-local students would not take up any subsidized places earmarked for local students, and the tuition fees charged by UGC-funded institutions from non-local students should at least be sufficient to fully recover the additional direct cost required for these places;
- (k) in the long run, regarding the issue of setting up one standardized system to regulate both UGC-funded institutions and self-financing institutions, it was imperative that the independence of UGC-funded institutions would not be undermined by the new regulatory system; and
- (l) having regard to members' request, the authorities could consider including the proposal of waiving the loan interests payable by post-secondary students in the scope of the next review to be conducted by the Education Bureau ("EDB"). Nonetheless, the Administration could not anticipate when the relevant review would be completed.

16. The Chairman said that members had repeatedly raised questions on the coverage of the proposed Subsidy Scheme, and called upon members to avoid repeating their questions. Mr Andrew WAN disagreed with the Chairman.

The proposal of increasing the teacher-to-class ratio for public-sector primary and secondary schools

17. Mr HUI Chi-fung asked whether the Administration would further increase the teacher-to-class ("T/C") ratio for public-sector primary and secondary schools after the proposal to increase T/C ratio by 0.1 was approved by FC.



18. Ms Starry LEE indicated her support for the funding proposal. She asked the Administration whether schools could use the new provision in a more flexible manner when the proposal to increase T/C ratio was implemented, and whether Direct Subsidy Scheme ("DSS") schools could similarly benefit from the above proposal.

19. Mr LEUNG Yiu-chung relayed the concern of some teachers who were worried that existing contract teachers might not be able to become permanent teachers even after the proposal to increase T/C ratio was approved.

20. SED responded that:

- (a) the authorities would review the professional development and workload of teachers in the next step, and allocate additional resources to support teachers if necessary;
- (b) under the aforesaid proposal, schools were required to fill the newly created teaching posts substantively by surplus teachers, existing contract teachers or other suitable candidates subject to consideration of their merit and suitability for the posts. EDB would monitor each and every school to ensure that the policy intention was put into practice; and
- (c) the proposal to increase T/C ratio was also applicable to DSS schools.

#### Measures to improve special education services

21. Mr Alvin YEUNG asked: (a) if the funding proposal was approved, whether the Community Care Fund ("CCF") would stop granting provisions to public-sector primary and secondary schools for assigning special educational needs coordinators ("SENCOs"); (b) whether the level of special education support for schools would be enhanced under the funding proposal, when compared with the CCF pilot project; (c) when the Administration would review the proposed measures for improving special education services; and (d) whether the authorities would launch other measures for improving special education services.

22. Noting that the teaching staff and allied health staff in special schools at primary and secondary school levels would be strengthened under the said funding proposal, Mr WU Chi-wai was concerned about whether the Administration would, on top of the above measures, provide additional resources to improve the provision of special education services at kindergarten level.

23. SED responded that:

- (a) the pilot project under which CCF provided schools with funds for assigning SENCOs would be regularized, after the funding proposal was approved. CCF thereafter would stop providing the relevant funds;
- (b) in contrast with the pilot project in which only 124 schools had participated, the funding proposal, after being approved, would benefit all public-sector ordinary primary and secondary schools in Hong Kong, as a result of the injection of additional resources;
- (c) given that the assignment of SENCOs was an important measure, after the regularization of the pilot project, EDB would follow up by, inter alia, conducting various relevant reviews. EDB would also continue to launch other measures to assist schools in supporting students with special educational needs; and
- (d) the provision of special education services at kindergarten level was mainly the responsibility of the Social Welfare Department. If necessary, EDB would consider whether the number of kindergarten teachers should be increased to provide the necessary support.

Other concerns

24. Mr LEUNG Yiu-chung was concerned that the Administration had not consulted grass-roots parents before launching the proposed measures to improve education.

25. Ms Starry LEE expressed concern about when the Administration would put in place a pay scale for kindergarten teachers. SED indicated that EDB would review the implementation of the new policy and discuss the relevant proposals with the sector.

26. Mr Martin LIAO supported the funding proposal. He asked the Administration what contingency measures were in place to provide assistance to affected schools and students in case the funding proposal could not be approved by FC at today's meetings. SED replied that the measures proposed under the funding proposal were new initiatives which could not be launched if the proposal failed to get FC's approval.

27. Dr Priscilla LEUNG declared that she was teaching at the City University of Hong Kong. Dr LEUNG and Dr CHIANG Lai-wan indicated their support for the funding proposal. Both of them urged the Administration to further review a number of outstanding problems in the area of education, apart from improving the quality of education through the current funding proposal.

28. Members noted that the Chief Executive undertook in her election manifesto to provide an additional \$5 billion recurrent funding in education, among which \$3.6 billion was used in the current funding proposal. Mr HUI Chi-fung, Dr Priscilla LEUNG and Mr LEUNG Yiu-chung asked how the Administration would use the remaining \$1.4 billion earmarked for this purpose. SED replied that the current funding proposal primarily aimed to provide immediate financial support for the education sector which was facing a number of resources problems. The Administration was considering how to use the remaining new recurrent provision for education purpose to resolve the fundamental problems in the sector.

#### Order in Committee

29. A number of members (including Mr CHAN Chi-chuen, Dr Fernando CHEUNG, Mr CHU Hoi-dick and Mr SHIU Ka-chun) had remained standing since the commencement of the meeting. Dr Fernando CHEUNG said that the conduct of meetings would not be disrupted even if members remained standing throughout a meeting. Hence, he disagreed with the Chairman's decision made at the previous meeting that he be ordered to withdraw from the meeting immediately.

30. The Chairman said that he had ignored Dr CHEUNG's act of remaining standing throughout the meeting because no complaint was lodged by members about his act. However, that did not carry the implication that Dr CHEUNG's act complied with the Finance Committee Procedure.

31. Mr HUI Chi-fung queried whether it was appropriate for FC to continue with its meetings to deliberate funding proposals after four Members had been disqualified from assuming the office of a member of LegCo ("the Office") by the Court. Ms Claudia MO and Mr CHU Hoi-dick expressed concern over the Administration's act of resorting to legal means to disqualify a number of LegCo Members from assuming the Office.

32. SED said that the question raised by Mr HUI was irrelevant to the funding proposal.

33. At 1:03 pm, the Chairman declared that the meeting ended.

Legislative Council Secretariat  
15 March 2018