

ITEM FOR FINANCE COMMITTEE

HEAD 156 – GOVERNMENT SECRETARIAT : EDUCATION BUREAU Subhead 700 General non-recurrent

New Item “Payment of examination fees for school candidates sitting for the 2020 Hong Kong Diploma of Secondary Education Examination”

Members are invited to approve a new commitment of \$160 million for payment of examination fees for school candidates sitting for the 2020 Hong Kong Diploma of Secondary Education Examination.

PROBLEM

We need to implement a one-off measure to pay examination fees for school candidates sitting for the 2020 Hong Kong Diploma of Secondary Education Examination (HKDSE).

PROPOSAL

2. The Secretary for Education proposes to create a new commitment of \$160 million for paying examination fees for eligible school candidates sitting for the 2020 HKDSE directly to the Hong Kong Examinations and Assessment Authority (HKEAA).

JUSTIFICATION

3. The Financial Secretary (FS) announced in the 2019-20 Budget a series of relief measures, including paying examinations fees for school candidates sitting for the 2020 HKDSE.

/Eligibility

Eligibility

4. To be eligible for government's payment of examination fees, a candidate must be enrolled in a registered school approved for participation in the 2020 HKDSE in the 2019/20 school year and be entered as a school candidate in the 2020 HKDSE through his/her school, regardless of whether he/she is a first-time candidate or is repeating part or whole of the senior secondary curriculum in a day school or evening school.

Coverage of examination fees

5. Government's proposed payment of examination fees includes the subject fees of Category A (Senior Secondary), Category B (Applied Learning) and Category C (Other Languages) subjects for the 2020 HKDSE, but excludes supplementary fees¹. A list of Category A, Category B and Category C subjects for the 2020 HKDSE is at Enclosure.

Encl.

Calculation of examination fees

6. For the 2020 HKDSE, the examination fees to be charged by the HKEAA are \$670 per language subject and \$448 per other subject. For example, if an eligible school candidate enters for two language subjects and four other subjects, the amount payable by the Government for the candidate will be \$3,132 (i.e. \$670 X 2 + \$448 X 4).

7. It is estimated that about 45 900 school candidates will sit for the 2020 HKDSE and benefit from the proposal.

FINANCIAL IMPLICATION

8. We plan to make payment of examination fees for eligible candidates directly to the HKEAA, largely in accordance with the normal payment schedule of school candidates as in past years. Based on the estimated number of school candidates for the 2020 HKDSE and the estimated number of subjects entered by a school candidate (i.e. two language subjects and three to six other subjects), it is estimated that the Government will pay around \$160 million to the HKEAA on behalf of school candidates. A breakdown of estimated expenditure is as follows –

/Item

¹ Examples of supplementary fees are fees for late entry, fees for addition/change of subject entry, fees for re-scheduling of oral examinations, application fees for rechecking and remarking, appeal review, and data access request, etc. to be paid by the candidates. The fee schedule is set out on the website of HKEAA (<http://www.hkeaa.edu.hk/en/>).

Item	Estimated expenditure (\$ million)
(a) Language subjects	61.5 ²
(b) Other subjects	84.4 ³
(c) Contingency (9.7% of items (a) and (b) above)	14.1 ⁴
Total	160.0

9. The total amount of payment to the HKEAA will be determined by the actual number of subject entries of eligible school candidates for the 2020 HKDSE. The expenditure will be incurred mainly in 2019-20 following the normal payment schedule of the 2020 HKDSE, but there may be cases of late entries for addition/substitution of subjects accepted under exceptional circumstances at the time near to or during the examination period, for which the payment of subject fees will be incurred in 2020-21.

10. The Government has included the necessary provision in the 2019-20 draft Estimates to meet the cash flow required for the implementation of the proposed measure in the current year, and will earmark sufficient provision in the Estimates of the subsequent year to meet the cash flow requirement of the measure. The estimated cash flow for the proposed payment is set out as follows –

Financial Year	Estimated expenditure (\$ million)
2019-20	158
2020-21	2
Total	160

/IMPLEMENTATION

² The expenditure covers payment for some 45 900 eligible school candidates each entering for two language subjects at a fee of \$670 per subject.

³ With reference to the registration statistics of school candidates in the past HKDSEs, it is estimated that around 10%, 70% and 20% of school candidates will enter for three or fewer, four, and five/six other subjects respectively in the 2020 HKDSE. The expenditure covers payment for the subject fee of \$448 each for three to six other subjects entered by some 45 900 eligible school candidates.

⁴ The contingency amount is for accommodating extra payment in case the percentage of candidates taking a larger number of subjects is higher than that in previous years.

IMPLEMENTATION PLAN

11. The registration and preparation work for the HKDSE normally starts in June every year and the examination period is from March to May in the following year, except for Category C subjects which will be conducted in October to November⁵. The registration is conducted in two periods, namely June and September of the year before the year of the examination for Category C subjects, and Categories A and B subjects respectively. Candidates are required to pay for entries in Category C subjects in July and for Categories A and B subjects in October of the year before the year of the examination respectively. The 2020 HKDSE follows the same schedule.

12. The HKEAA will issue notice to schools about the administrative details of the registration for the 2020 HKDSE and upload the “Instructions to Applicants” onto the HKEAA’s website around one week before the start of the registration periods (i.e. in early June and early September 2019) according to the prevailing practice. Subject to Members’ approval of the funding proposal, registration for Category C subjects in the 2020 HKDSE will first take place in June 2019.

RELATED ISSUE

13. At present, eligible non-Chinese speaking (NCS) students⁶ enrolled in Secondary 4 to 6 at day schools pursuing the local curriculum are only required to pay a “subsidised examination fee” on a par with that of the HKDSE (Chinese Language) Examination for participation in internationally recognised alternative Chinese Language qualifications examinations⁷. With the proposal of paying examination fees for school candidates sitting for the 2020 HKDSE, the “subsidised examination fee” of eligible NCS students sitting for the aforementioned examinations in the 2019/20 school year will be waived accordingly. The Education Bureau (EDB) will deploy existing resources to meet the funding requirement arising from the waiver of the “subsidised examination fee” for eligible NCS students, which is estimated to be about \$2 million. Related arrangements including application procedures and payment of subsidies will basically follow the established mechanism.

/PUBLIC

⁵ The timing ties in with the examination timetable of the Cambridge Assessment International Education.

⁶ These NCS students are those who have learnt Chinese Language for either –

- (a) less than six years while receiving primary and secondary education; or
- (b) six years or more in schools, but have been taught an adapted and simpler curriculum not normally applicable to the majority of students in local schools.

⁷ Internationally recognised alternative Chinese Language qualifications include those under the General Certificate of Secondary Education (GCSE), International General Certificate of Secondary Education (IGCSE) and General Certificate in Education (GCE).

PUBLIC CONSULTATION

14. On 29 March 2019, the EDB consulted the Legislative Council Panel on Education (the Panel) on the proposal. Members supported the submission of the proposal to the Finance Committee for consideration. Some Members suggested regularising the one-off measure and extending the scope to cover some of the private candidates. EDB explained at the meeting that the proposal for the Government to pay for public examination fees recurrently was a complicated matter involving major policy changes; and that the Government and HKEAA would take such proposals into consideration in the detailed study on practical options to maintain HKEAA's long-term financial sustainability. Subsequently, at its meeting on 3 May 2019, the Panel passed two motions respectively urging the Government to regularise the proposed one-off measure, and to extend the proposed measure to cover private candidates enrolling in the HKDSE in the immediately following year after their first attempt. EDB provided detailed responses to the motions passed to the Panel on 8 May 2019.

BACKGROUND

15. The proposal in the 2018-19 Budget to pay the examination fees for candidates sitting for the 2019 HKDSE was implemented smoothly. Having regard to the economic outlook in the coming year and the Government's fiscal position, FS proposed in the 2019-20 Budget to pay the examination fees for candidates sitting for the 2020 HKDSE.

Education Bureau
May 2019

**List of Category A, Category B and Category C subjects
for the 2020 Hong Kong Diploma of Secondary Education Examination**

Category A: Senior Secondary Subjects

Biology
Business, Accounting and Financial Studies
Chemistry
Chinese History
Chinese Language
Chinese Literature
Design and Applied Technology
Economics
English Language
Ethics and Religious Studies
Geography
Health Management and Social Care
History
Information and Communication Technology
Liberal Studies
Literature in English
Mathematics
 Compulsory Part
 Extended Part
 Module 1. Calculus and Statistics
 Module 2. Algebra and Calculus
Music
Physical Education
Physics
Science
 Combined Science (Biology, Chemistry)
 Combined Science (Biology, Physics)
 Combined Science (Chemistry, Physics)
 Integrated Science
Technology and Living
Tourism and Hospitality Studies
Visual Arts

/Category

Category B: Applied Learning Subjects

Area of Studies	Course Cluster	Applied Learning Subject
Creative Studies	Design Studies	Fashion and Image Design
		Interior Design
		Jewellery and Accessories Design
	Media Arts	Computer Game and Animation Design
	Performing Arts	Taking a Chance on Dance
Media and Communication	Films, TV and Broadcasting Studies	Film and Video
	Media Production and Public Relations	Creative Advertising
		Magazine Editing and Production
		Public Relations and Communication
Business, Management and Law	Accounting and Finance	Accounting in Practice
	Business Studies	Business Data Analysis
		Entrepreneurship for SME
		Marketing and Online Promotion
	Legal Studies	Law Enforcement in Hong Kong
Services	Food Services and Management	Pâtisserie and Café Operations
		Western Cuisine
	Hospitality Services	Hospitality Services in Practice
		Hotel Operations
	Personal and Community Services	Child Care and Education
Fundamental Cosmetology		
Applied Science	Medical Science and Health Care	Animal Care
		Foundation in Chinese Medicine
		Health Care Practice
		Medical Laboratory Science
	Psychology	Applied Psychology
		Practical Psychology
	Sports	Exercise Science and Health Fitness
Sports and Fitness Coaching		
Engineering and Production	Civil, Electrical and Mechanical	Electrical and Energy Engineering

Area of Studies	Course Cluster	Applied Learning Subject
	Engineering	
	Information Engineering	Computer Forensic Technology
		Internet of Everything Application
	Services Engineering	Aviation Studies
		Railway Studies
Applied Learning Chinese (for non-Chinese speaking students)		Chinese for the Service Industry
		Chinese in Business
		Practical Chinese in Hospitality

/Category

Category C: Other Language Subjects

French Language

German Language

Hindi Language

Japanese Language

Spanish Language

Urdu Language
