

ITEM FOR FINANCE COMMITTEE

HEAD 156 – GOVERNMENT SECRETARIAT : EDUCATION BUREAU Subhead 000 Operational expenses

Members are invited to approve a supplementary provision of \$503 million under Head 156 Government Secretariat: Education Bureau Subhead 000 Operational expenses in 2019-20 to meet the estimated expenditure for rationalising the salaries of school heads and deputy heads and improving the manpower at the middle management level in public sector primary schools with effect from 1 September 2019.

PROBLEM

We need to seek supplementary provision for the operational expenses of the Education Bureau (EDB) in 2019-20 to meet the estimated expenditure for rationalising the salaries of school heads and deputy heads and improving the manpower at the middle management level in public sector primary schools with effect from 1 September 2019.

PROPOSAL

2. The Secretary for Education seeks a supplementary provision of \$503 million under Head 156 Government Secretariat: EDB Subhead 000 Operational expenses in 2019-20 to meet the estimated expenditure for rationalising the salaries of school heads and deputy heads and improving the manpower at the middle management level in public sector primary schools with effect from 1 September 2019.

/JUSTIFICATION

JUSTIFICATION

3. EDB set up in November 2017 the Task Force on Professional Development of Teachers (the Task Force) to review issues relating to the professional development of teachers and make recommendations on enhancement measures.

4. The Government adopted the Task Force's suggestion that the all-graduate teaching force policy should be implemented at the soonest possible, and the Chief Executive announced in her Policy Address in 2018 that the policy would be implemented in one go in public sector primary and secondary schools as from the 2019/20 school year. Schools would be allowed flexibility to fully implement the policy within two years taking into account their respective school-based circumstances.

5. The Policy Address also announced that, in tandem with the implementation of whole-day primary schooling and the all-graduate teaching force policy in primary schools, the Government would rationalise the salaries of school heads and deputy heads and improve the manpower at the middle management level in primary schools, and that a recurrent allocation of \$500 million would be earmarked for the purpose. The Task Force accorded priority to the deliberation of these two aspects and submitted relevant recommendations in an Interim Report to the Government in November 2018 for early consideration and follow-up.

6. Having considered the Task Force's recommendations, EDB agreed that the salaries of school heads and deputy heads in primary schools should be adjusted to reflect the substantial changes in the scope of work and the increased complexity of responsibilities, and to give due recognition to the important roles they play and the complex duties and responsibilities they shoulder in the setting of whole-day primary schooling. EDB also agreed that the provision of senior teacher (ST) posts in primary schools should be improved to give primary schools a reasonable number of STs (i.e. manpower at the middle management level) to cover their key subject panels and major functional groups, and to coordinate various initiatives to drive school-based development. The provision ratios should be changed from basing on the number of classes to the number of teaching posts (as in the secondary education sector) so that the provision could be adjusted with changes in the teacher-to-class ratio, if any, correspondingly.

/7.

7. In connection with the above, EDB obtained support from the Establishment Subcommittee (ESC) on 11 June 2019 to revise the pay scales for school heads and deputy heads, apply the normal conversion arrangement to serving school heads and deputy heads, increase the ceiling placed on the total notional annual mid-point salary value of all non-directorate posts in the establishment of EDB for the implementation of the revised pay scales and conversion arrangement and for the upgrading of 155 non-directorate civil service posts in government primary schools to improve the manpower at the middle management level with effect from the 2019/20 school year. Details of the justifications are set out in EC(2019-20)6.

8. In line with the established practice, the new arrangements in government schools will be implemented in the aided sector concurrently. The major changes in public sector primary schools with effect from the 2019/20 school year are as follows –

(a) rationalising the salaries for school heads and deputy heads by revising the pay scales of the Primary School Master/Mistress grade as follows and applying the normal conversion arrangement as set out in Enclosure to the serving staff –

Encl.

(i) from Master Pay Scale (MPS) Points 34 - 35 (\$70,590 - \$71,520) to MPS Points 34 - 39 (\$70,590 - \$85,770) for the Senior Primary School Master/Mistress rank;

(ii) from MPS Points 35 - 39 (\$71,520 - \$85,770) to MPS Points 40 - 43 (\$89,460 - \$101,520) for the Headmaster/Headmistress II rank;

(iii) from MPS Points 38 - 41 (\$81,975 - \$93,315) to MPS Points 43 - 46 (\$101,520 - \$116,265) for the Headmaster/Headmistress I rank;

(b) improving the manpower at the middle management level as follows, with the teaching posts derived from the application of teacher-to-class ratio, including the teaching posts generated from the increase in teacher-to-class ratio by 0.1 since the 2017/18 school year¹, and the teacher librarian post, which is a teaching post

/provided

¹ With effect from the 2017/18 school year, the teacher-to-class ratio for public sector primary and secondary schools (including special schools) has increased by 0.1 across-the-board to provide additional teaching staff to schools to take forward various education initiatives and enhance the quality of education for the benefit of our students. The additional teaching posts are graduate posts and do not count towards the calculation of promotion post entitlement, pending the review to establish a professional ladder for primary and secondary school teachers.

provided in addition to the basic provision according to the teacher-to-class ratio in ordinary primary schools, counted towards the calculation of promotion posts –

- (i) from one ST post for every three classes² to one ST post in every 3.2 teaching posts for whole-day classes in ordinary primary schools;
- (ii) from one ST post for every four classes³ to one ST post in every four teaching posts for bi-sessional classes in ordinary primary schools; and
- (iii) from one ST post in every four teaching posts to one ST post in every three teaching posts in the primary section of special schools and primary special schools.

FINANCIAL IMPLICATIONS

9. The proposals to rationalise the salaries for school heads and deputy heads and to improve the manpower at the middle management level in public sector primary schools would involve an additional recurrent expenditure of about \$862 million in a full-year and \$503 million in 2019-20 with a breakdown as shown in the table below –

	2019-20 \$million	Full-year effect \$million
(a) Rationalising the salaries for school heads and deputy heads in primary schools	123	212
(b) Improving the manpower at the middle management level in primary schools	380	650
Total	503	862

10. As EDB is unable to cover the above additional requirement through internal re-deployment, a supplementary provision of \$503 million for 2019-20 is required. Subject to approval of the Finance Committee (FC), EDB will reflect the funding requirement beyond 2019-20 in the Estimates of the relevant years.

/PUBLIC

² Based on the existing teacher-to-class ratio of 1.6 teachers per whole-day primary class, the equivalent provision ratio is one ST post in every 4.8 teaching posts.

³ Based on the existing teacher-to-class ratio of 1.5 teachers per bi-sessional primary class, the equivalent provision ratio is one ST post in every six teaching posts.

PUBLIC CONSULTATION

11. The proposals to rationalise the salaries for school heads and deputy heads and to improve the manpower at the middle management level in primary schools are based on the recommendations of the Task Force which have been deliberated in detail by members from different fields in the education sector. Views of major councils and associations have been taken into consideration in formulating the proposals.

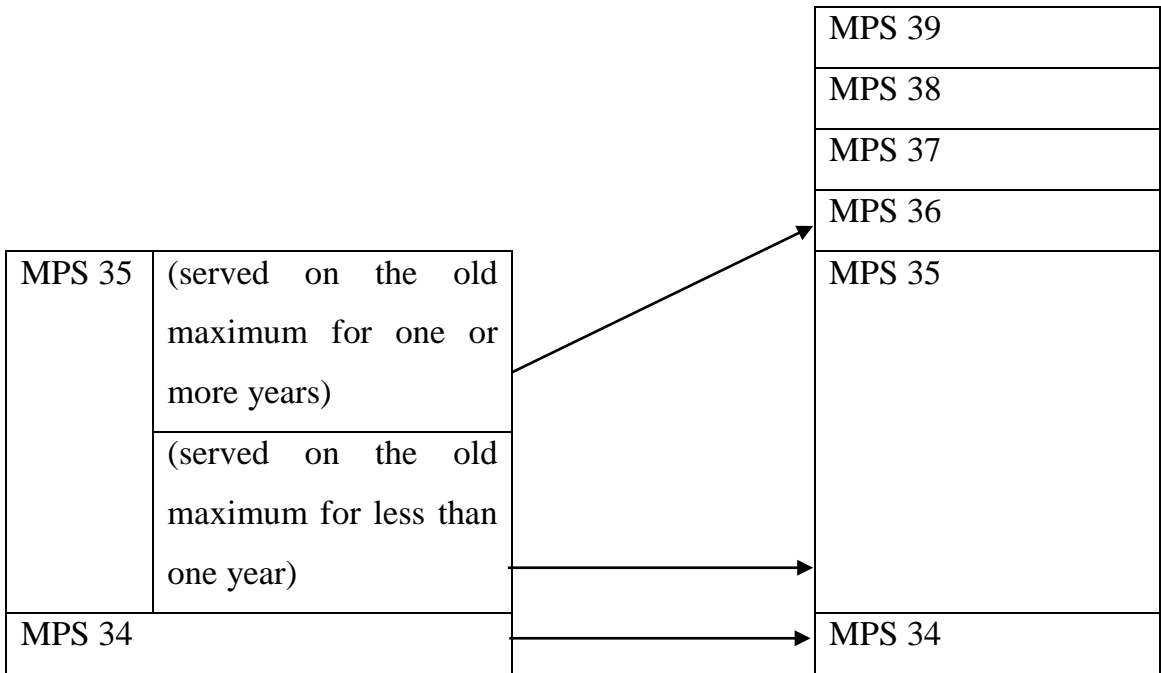
12. We consulted the Legislative Council Panel on Education and the ESC on 29 March and 11 June 2019 respectively on the proposals. Members are in support of the submission of the proposals to FC.

Education Bureau
June 2019

Conversion Arrangement for Senior Primary School Master/Mistress Rank of Primary School Master/Mistress Grade

Existing pay scale

Proposed pay scale



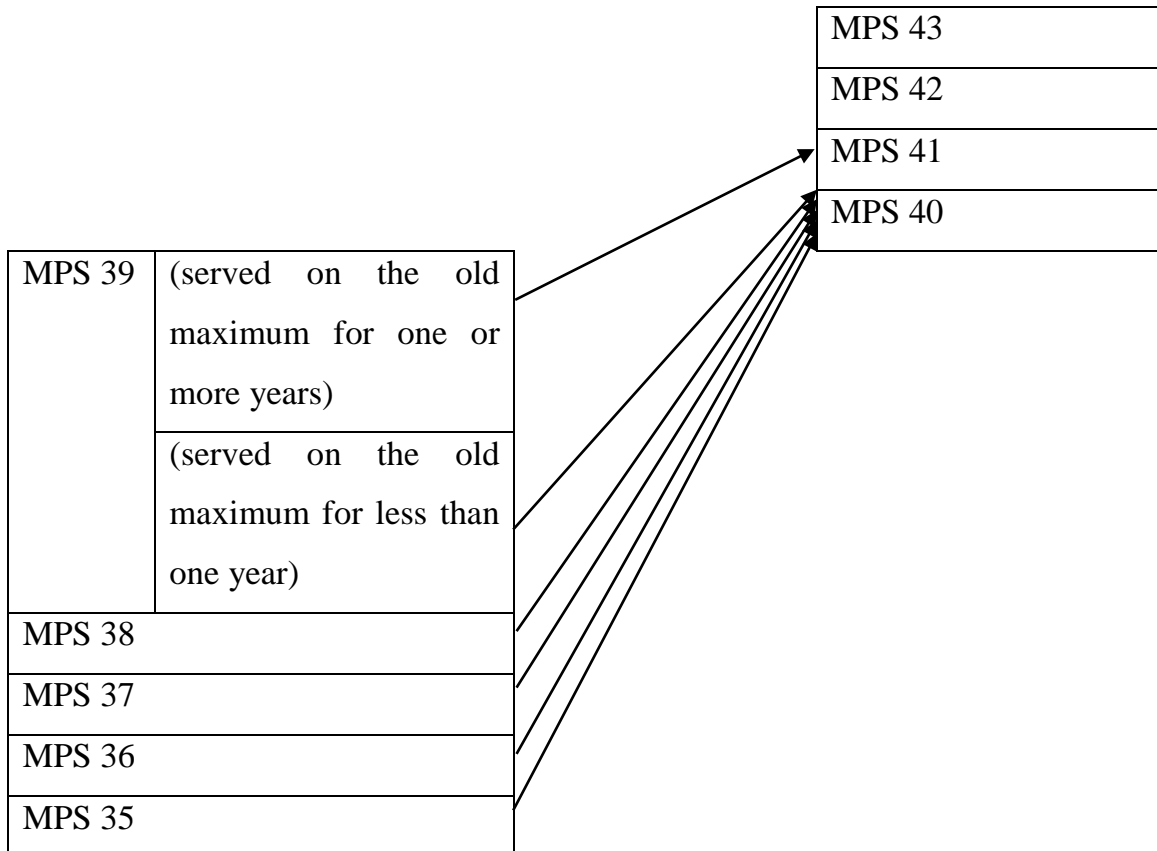
MPS: Master Pay Scale

/Conversion

**Conversion Arrangement for Headmaster/Headmistress II Rank
of Primary School Master/Mistress Grade**

Existing pay scale

Proposed pay scale



MPS: Master Pay Scale

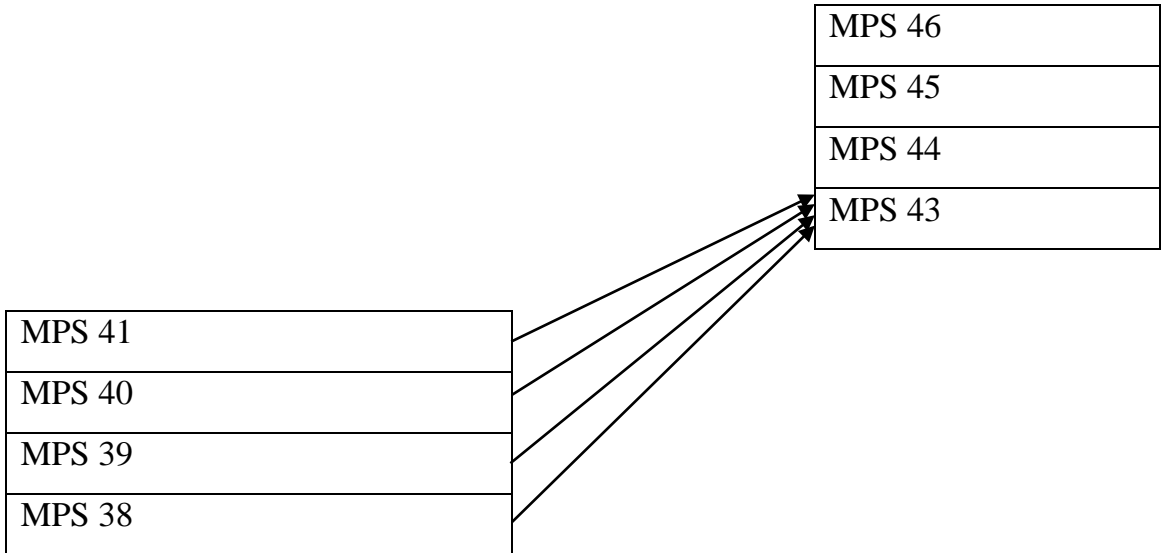
Note: In line with the usual practice, where the pay after conversion is higher than the pay before conversion by two pay points or more, the incremental date of the staff concerned will be realigned to the effective date of implementing the new pay scale.

/Conversion

**Conversion Arrangement for Headmaster/Headmistress I Rank
of Primary School Master/Mistress Grade**

Existing pay scale

Proposed pay scale



MPS: Master Pay Scale

Note: In line with the usual practice, where the pay after conversion is higher than the pay before conversion by two pay points or more, the incremental date of the staff concerned will be realigned to the effective date of implementing the new pay scale.
