

For discussion
on 1 November 2019

Legislative Council Panel on Education

Provision of a Subsidy to Day-school Students

Purpose

This paper seeks Members' views on the funding proposal on provision of a subsidy of \$2,500 for each day-school student in the 2019/20 school year, and regularisation of the subsidy starting from the 2020/21 school year.

Background

2. As part of the \$19.1 billion relief measures announced in August 2019, the Financial Secretary proposed a one-off student grant of \$2,500 for secondary day-school, primary school and kindergarten students to alleviate parents' financial burden (hereafter referred as "student grant"). It is estimated to benefit about 900 000 students in Hong Kong. As announced in the Chief Executive's 2019 Policy Address, it is proposed to regularise the provision of the student grant starting from the 2020/21 school year.

Implementation Details

Eligibility Criteria

3. All students, as at the date of application, studying in secondary day-schools, primary schools and special schools (including public sector schools, Direct Subsidy Scheme schools, English Schools Foundation schools, private schools) as well as kindergartens (regardless of whether joining the kindergarten education scheme) offering local or non-local curriculum in Hong Kong, are eligible for the grant. It will be non-means-tested. Students of evening schools, students of private studies, holders of student visa for entry into Hong Kong for studies and holders of Form of Recognizance issued by the Immigration Department are excluded.

4. Taking into account that some students who should meet the eligibility criteria stated in paragraph 3 above but attend other programmes owing to special circumstances or their choices, it is proposed that the following students are also eligible for the grant:

- (a) Special Child Care Centre: Children at suitable age (i.e. at the age of 2 years and 8 months or above as at 1 September of the school year concerned) for kindergarten education attending the Special Child Care Centre subsidised by the Social Welfare Department (SWD) owing to special needs should be treated on par with their counterparts in ordinary kindergartens. They should be eligible for the grant;
- (b) Full-time Initiation Programme: Newly arrived children may enter mainstream schools direct, or they may choose to attend the six-month full-time Initiation Programme funded by the Education Bureau (EDB). The Initiation Programme aims to provide newly arrived children with learning experience to real classroom situation prior to entering mainstream schools, thereby facilitating their early adaptation to the local environment and fostering whole-person development. Students attending such programme should be treated on par with their counterparts in primary and secondary schools, and should be eligible for the grant; and
- (c) Full-time Programmes for Secondary 3 School Leavers offered by the Vocational Training Council (VTC): These programmes allow students concerned to choose the Diploma of Vocational Education (formerly named as the Diploma in Vocational Education) for articulation to the Higher Diploma programmes offered by VTC member institutions; students completing the Diploma of Vocational Baccalaureate programmes can choose to progress to local or overseas universities, or undergraduate degree and Higher Diploma programmes offered by VTC member institutions. Taking into account the nature of such programmes, these students should be treated on par with their counterparts studying senior secondary curriculum in secondary schools, and should be eligible for the grant.

5. Based on the information in the 2018/19 school year, it is estimated to benefit about 900 000 students in Hong Kong, including about 326 000 secondary day-school students, 373 000 primary school students, 9 000 special school students, 175 000 kindergarten students, and about 9 000

students¹ of other programmes stated in paragraph 4 above.

Implementation

6. The EDB will deploy existing resources, after the funding approval of the Finance Committee (FC) of the Legislative Council, to recruit about 30 non-civil service contract and post-retirement service contract staff to develop IT systems concerned, handle financial matters, and set up a new office to handle applications for the 2019/20 school year and related matters such as processing applications, liaising with schools and applicants, arranging payments, and handling enquiries. The EDB will review the workload and manpower arrangements of the new office and create an appropriate number of civil service posts to replace the contract staff, to support the work after regularisation of the student grant.

7. The procedures for application and approval will be streamlined as far as possible. The information and supporting documents to be provided by parents will be kept to minimum as far as possible, and the subsidy will be disbursed to parents direct. In this connection, we will distribute the application forms and verify the student status via schools; applicants can also download the application forms from the website or obtain them from the Regional Education Offices. In view that parents generally possess local bank accounts, the subsidy will be disbursed to parents via bank transfer.

Implementation Timeline

8. Subject to Members' support for the proposed relief measure, we will seek funding approval from the FC at the earliest possible time. Having regard to the time required for the development of relevant IT systems, staff recruitment and training, as well as publicity etc., we expect to accept applications about six weeks after the FC approval, and start to disburse the subsidy about six weeks after receiving the applications.

9. Upon regularisation of the student grant starting from the 2020/21 school year, we will invite parents to make applications via schools at the end of September each year, and will start to disburse the subsidy as from November each year.

¹ Based on the information in the 2018/19 school year, it is estimated that other eligible students mainly include about 1 900 children attending the Special Child Care Centre funded by the SWD, about 800 students attending the full-time Initiation Programme for Newly Arrived Children funded by the EDB, and about 6 000 students of the VTC.

Financial Implications

10. For the implementation of the relief measure in the 2019/20 school year, the disbursement of subsidy to eligible students will involve about \$2.25 billion.

11. Starting from the 2020/21 school year, the provision will be regularised, and the required funding will be included in the draft Estimates of Expenditure of the relevant financial years.

Advice Sought

12. Members are invited to provide their views on the proposed student grant and the funding proposal. Subject to Members' support, we will proceed to seek funding approval from the FC at the earliest possible time.

Education Bureau
October 2019