

# EDB's response to Ombudsman's direct investigation report

Regarding a report released by the Ombudsman today (January 14) on its direct investigation into the Education Bureau (EDB)'s mechanism for approving applications for school fee revision from Direct Subsidy Scheme (DSS) and private schools and collection of other charges by private schools, the EDB said it would consider seriously how to follow up on the recommendations.

A spokesman for the EDB said, "On the revision of school fees, we noted that the Ombudsman considers that the EDB has followed the established mechanism for granting approval and there is no irregularity in the EDB's practice. As a matter of fact, the EDB has all along been handling fee revision applications from DSS and private schools based on the established mechanism. In assessing the applications, the EDB takes into account, among others, the schools' justifications for the proposed rate of fee revision, their financial position, whether there has been sufficient communication with parents and whether the latter's concerns have been duly addressed, as well as other related factors such as social and economic situations and the schools' operating expenses.

"According to our records, a few DSS and private schools have proposed comparatively higher rates of fee increases at all or some levels of the schools in the past few years. These were only individual cases which had specific reasons for the proposed fee increases, such as expenditure for conducting large-scale school improvement projects, the need to rectify financial deficits or developing and enhancing the school curricula. The EDB has explained to the Ombudsman the reasons for approving such applications."

He added, "Private schools (including international schools) operate on a self-financing and market-driven basis and have to bear all school expenditures on their own. In order to meet the financial needs in relation to teaching and learning, school development, improvement of school facilities and infrastructure, some private schools may take out loans or implement fundraising schemes, such as debentures, capital levies and nomination rights. The EDB has noted that the modes of such fundraising schemes are becoming more diversified. We will take into account the Ombudsman's recommendations and review and improve our existing regulatory mechanism with a view to formulating as soon as possible a more comprehensive mechanism for approving the collection of other charges by private schools, and setting up a relevant database."

The spokesperson stressed, "Private schools have been playing a unique role in the provision of education in Hong Kong. While we are mindful of the legal requirements when devising the regulatory mechanism, we would also take into account the situation and needs of the schools and be careful not to interfere excessively in the operation mode of private schools so that they

could continue to play their necessary role."