

LCQ19: Overseas Education Allowance Scheme

Following is a question by the Hon Kwok Wai-keung and a written reply by the Secretary for the Civil Service, Mr Patrick Nip, in the Legislative Council today (February 3):

Question:

Under the Overseas Education Allowance (OEA) Scheme, eligible civil servants may claim OEA in respect of their children who are nine to 19 years old and are studying in the United Kingdom or their countries of origin. Civil servants appointed on or after August 1, 1996 are not entitled to this benefit. In this connection, will the Government inform this Council:

(1) of the implementation situation of the OEA Scheme in each of the past five years, including:

(i) the number of civil servants eligible for claiming OEA, with a breakdown by their terms of appointment (i.e. local terms of appointment and overseas terms of appointment),

(ii) the number of persons claiming OEA, with a breakdown by their terms of appointment,

(iii) the number of students involved, with a breakdown by subtype of allowance disbursed (i.e. the Boarding School Allowance and the Day School Allowance) and the place where their schools were located, and

(iv) the average amount of allowance disbursed in respect of each student, and the total expenditure involved;

(2) whether the Government conducted any consultation with the various civil service unions in the past three years on the implementation situation and continuity of the OEA Scheme; if so, of the dates and the subjects of such consultations; if not, the reasons for that, and whether it will establish a regular communication mechanism with the various unions to regularly gauge their views on those civil service allowances which are fringe benefits in nature (including OEA); and

(3) whether it has plans to review and improve the OEA Scheme, including broadening the eligibility for the Scheme so that (i) civil servants may make applications in respect of their children who are studying in institutions in Mainland cities, and (ii) civil servants appointed on or after August 1, 1996 will be eligible for making applications; if so, of the details; if not, the reasons for that?

Reply:

President,

In view of inadequate educational facilities in Hong Kong for English-speaking children at the time, the Overseas Education Allowance (OEA) scheme was introduced in 1964 to enable children of expatriate officers back then to continue education in their countries of origin. The scheme was extended to local officers in 1972 on the grounds of equity and parity.

The Government conducts reviews of allowances payable to civil servants from time to time to ensure that these allowances are in line with present day circumstances. Following a detailed review, the Government has ceased the provision of OEA to new recruits from 1996. According to existing policy, only those eligible civil servants who were offered appointments to the civil service on local terms before August 1, 1996 may claim OEA for their children's education in the United Kingdom. Those appointed on overseas terms may claim OEA for their children's education in their countries of origin. As OEA was offered to those eligible civil servants under their terms of appointment, the Government has to abide by the contractual obligations and retain their eligibility for OEA.

My reply to the question raised by the Hon Kwok Wai-keung is as follows:

(1) As at December 31, 2020, around 50 000 civil servants were eligible for OEA. As civil servants who are eligible to claim OEA retire one after another, the total number of civil servants eligible for OEA will also decrease accordingly. The total expenditure on OEA, number of claimants, students' school locations and average amount of allowance per student from financial years 2015-16 to 2019-20 are at Annex.

(2) and (3) The Government has all along consulted staff on matters that affect them. Their views are taken into account in the formulation of the relevant policies relating to the civil service. When there are significant changes to the terms and conditions of service, the Government will in advance consult the Staff Sides of the four Central Consultative Councils. At present, the respective Council holds meetings regularly, providing platforms for representatives from the Staff Sides to provide their views directly to the Government on various issues concerning civil servants, including civil service fringe benefits.

Following a comprehensive review conducted on the fringe benefit type of allowances for the civil service, the Finance Committee of the Legislative Council approved in 2006 the freezing of the ceiling rates for OEA with no further rate adjustment until the complete phasing out of the allowance. This arrangement has been adopted since then. As the provision of OEA is out of step with present day circumstances, the Government does not have any plans to review the scheme or make any policy changes.

Nevertheless, the Government has noticed that in recent years, some Hong Kong students have chosen to study in the Mainland, including children of civil servants. Having regard to the Government's policy of encouraging young people in Hong Kong to actively integrate into the overall development of our

country, the Government is positively exploring the feasibility of expanding the scope of the Local Education Allowance scheme to cover primary and secondary education in the Mainland. The Government will consult the Staff Sides on the relevant proposal in due course.