

# Study of direct subsidy scheme



In 1988, the Education Commission Report No. 3 proposed the Direct Subsidy Scheme (DSS). The first DSS scheme was set up in 1991. The scheme aimed at developing a strong private school sector by providing high quality schools other than government and aided schools and to give parents a greater choice in looking for suitable schools for their children.

So, what is Direct Subsidy Scheme (DSS)? It is a means to enhance the quality of private schools in Hong Kong at the primary and secondary level (Education Commission Report No. 3 June 1988). Non-governmental secondary schools which are attained a sufficiently high educational standard to join the DSS by providing subsidies in order to enhance the quality of private school education since the 1991-92 school year.

The government set up the Direct Subsidy Scheme in primary and secondary education in Hong Kong with three rationales.

The first one is to set up a qualified private education provision sector. The scheme allows DSS schools to charge tuition fees on their own willingness. Some schools may charge higher tuition fees, so that they purchase better equipment and have extra resources. As a result, the DSS schools can improve their teaching qualities. Besides, the schools under DSS can operate with greater autonomy. The schools can recruit more teachers so that the “teacher to students” ratio can be lower. Then, students can learn better.

Another rationale is that DSS allows more diversity in different schools as there is less restriction and schools can freely decide on their own to operate. For example, schools can design the curricula, school tuition fees and selection criteria. Schools can also tailor made their syllabus to meet the

interest and abilities of their students. As a result, our education system will be more diverse and more schools with different styles and specialties would exist.

The third rationale is to increase the variety of choices for parents and students. As schools can identify their own strengths & specialties (as the above mentioned), there will be more options (different types of schools) for parents to choose. Choices can be made based on the needs and interests of the children and it will be beneficial to the students.

Schools joining Direct Subsidy Scheme is quite different from those government schools, aided schools and private schools. Here are three features of the Direct Subsidy scheme.

The first one is that the scheme allowed the school to charge tuition fees. The government has little control over the tuition fees levels. For instance, the tuition fees is \$28, 000 per annum for Diocesan Boys' College Form one students while the tuition fees is \$48, 000 per annum for St. Paul's Co-educational College Form one students.

The second feature of the scheme is that the DSS schools can receive subsidies, which depend on the numbers of students enrolled in the schools, from the government. The schools are free to spend their grants for educational purpose.

Enjoying high autonomy is another feature of the Direct Subsidy Scheme. Schools joining the scheme can have their own selection criteria and selection processes. It means that the selection processes is regardless

districts, which is different from the centrally allocated system. Another aspect of autonomy that the DSS schools can enjoy is that they are free to design the syllabus and curriculum. Take Diocesan Boys' School as an example, it adopts International Baccalaureate Diploma Programme (IBDP) for overseas study.

After setting up the Direct Subsidy Scheme in Hong Kong, how is the scheme affecting the primary and secondary education?

Now, there are 83 schools (including 62 secondary schools and 21 primary schools) in total joining the Direct Subsidy scheme. DSS schools now account for more than 6% of secondary schools and 1.2% of primary school.

Although the ratio seems to be relatively low, there is a trend to increase in the future. It especially refers to some elite schools with prestigious reputation such as the St. Paul Co-educational School and the Diocesan Boys' School. It is because joining the Direct Subsidy Scheme, schools can acquire extra resources and autonomy for their future development and teaching visions.

For the well-perceived schools, they can take advantages out of the scheme and able to improve their teaching and learning experience. They can organize more enrichment programs such as overseas tours, cultural trips and outdoor learning activities with the extra funding and freedom gain. The schools can also hire extra teachers and assistants. As a result, the schools can make their teaching process more effective and reduce the working pressure of teachers. Take St. Paul Co-educational School as an example, it employed 10 more teachers into its own teaching team (with 108 teachers).

However, in normal government- aided schools, there are only 60 to 70 teachers.

For some less famous schools, they can better cater the special needs of their original students, have new sources of applicants and featuring their custom curricula and syllabus. They tend to have students from South-Asian, New immigrants from Mainland China and under-performed in terms of academic studies. And their school fees are generally more affordable compare with those elite schools joining DSS.

The general effect is that there is a trend for both secondary schools and primary schools in Hong Kong to turn to DSS schools in the future.

As the above mentioned, it is believed that there will be more and more schools joining the Direct Subsidy Scheme in the future. So, the scheme must have its pros to attract those schools to join in.

Let us first analyze the pros of the scheme from schools' view. Being a DSS schools, schools can enjoy high autonomy. Schools are free to decide their own school fees, curriculum and student admission policies. AS schools can set their own selection criteria, they can control the standards of their students. Some schools will even establish their own cultures and styles. For example, La Salle College has its own spirit— The Lasallian Spirit: Faith and Zeal. Besides, DSS schools can also get more operating funds by charging higher school fees and receiving government subsidies. As a result, schools can have abundant funds to provide additional and better quality facilities.

From the view of parents and students, the advantages of the Direct Subsidy Scheme are that the DSS schools have high teaching quality, so it can enhance students with good learning experience. Besides, as DSS schools usually offer small- group teaching for major subjects, so that the students- teachers ratio will be lower. Then, teachers may have a better teaching and caring on each student. So, students can benefit from a better learning environment.

From teachers' view, working in a DSS school, they will be benefit from a lighter workload. As DSS schools usually employ more teachers and offer small- group teaching for major subjects, the students- teachers ratio will be lower. As a result, each teacher can then focus on fewer students. Besides, teacher may establish deeper relationship with students as teachers only need to focus small class of students. Therefore, the teachers- students' relationships may become better.

As every coin has two sides, everything has both positive and negative sides. Direct Subsidy Scheme also has some cons from the view of schools, students, parents and teachers.

From schools' view, they may worry that the school's competitiveness is weaken due to the higher school fees compare to other schools. Some families may not be able to afford the higher school fees. When the quality of a DDS school and a non- DSS school has no big different, those families will probably not consider DSS schools as a choice. Schools may also worry the risk of insufficient of students. As the government subsidies received by DDS schools depend on the numbers of students enrolled in the schools, so

schools may need to face the problem of insufficient funds if there are not enough students. It may then lead to lacking of resources for facilities and continuous development. In the long term, the school may need to lower its admission requirement.

From the view of students and parents, there is inequality in school admission process. It is because students need to pay higher school tuition fees to enter DSS schools compare to those students enter non- DSS schools. School tuition fees may be a burden for some poor families, and these families may not be able to afford the higher school tuition fees. Apart from the admission process, unfairness may also occur in the educational process. As DSS schools usually have more funds for better facilities and resources, students study in DSS schools may enjoy better facilities and better learning environment. It may be not so fair to those non- DSS schools students.

From the view of teachers, they may have worries of wage cuts. As DSS schools tend to employ more teachers, teachers' salary will increase the expense of the schools. Some may worry that schools will have wage cuts in order to reduce the expense on teachers' salary. Besides, as some parents are still not very familiar to the Direct Subsidy Scheme, teachers may have to spend extra time explaining the policy to parents. It may then increase the workload of teachers.

After discussing both the pros and cons of the Direct Subsidy Scheme, I think that the cons of the Direct Subsidy Scheme far outweigh the pros. I oppose the scheme for these reasons.

First of all, Direct Subsidy Scheme violates the spirit of “ Education for all walks of life”. Education should treat all students equally but not select students by criteria such as family background or wealth. However, as DSS schools enjoy high autonomy and they can set their own selection criteria and admission process, many of the DSS schools tend to choose the elite students only and exclude those poor students from joining. For example, a student who has his father or brothers studied in the Diocesan Boys’ School will be added marks in the admission process of the Diocesan Boys’ School. The school tends to give advantage to the alumni’s children. It is obvious that DSS schools are selecting students by their family background. It is unfair to the other students. It violates the principle of equal educational opportunities.

Moreover, the scheme hinders the social mobility. The principle of equal educational opportunities suggest that students should be selected according their academic results instead of their family background or the ability of paying the schools tuition fees and even low- class students who have outstanding academic results can enter the universities and become middle class in the future. However, the Direct Subsidy Scheme violates this principle and hinders the social mobility. Poor students are restricted from entering the DSS schools. DSS schools lead to stratified society.

On the other hand, Direct Subsidy Scheme leads to inequality in the educational system as DSS schools take both the advantages of aided schools and private school. DSS schools can receive the subsidies according to the numbers of students from the government, which is the advantage of aided schools. DSS schools can also enjoy a high autonomy on school



curriculum, students' selection and designing syllabus, which is the advantage of private schools. Apart from taking both the advantages of aided schools and private school, the DSS schools can also receives extra income from charging schools tuition fees. It is a kind of unfairness to the subsidy schools and private schools.

In conclusion, Direct Subsidy Scheme was set up in purpose of providing high quality schools to give parents and students a greater choice in looking for suitable schools. After evaluation, it can be seen that there are both advantages and disadvantages of the scheme. The disadvantages of the scheme seem to outweigh the advantages. However, it is obvious that there is a trend for both secondary schools and primary schools in Hong Kong to turn to DSS schools in the future. While more and more schools become DSS schools, the effects of DSS bringing to Hong Kong education will be much more evident. To stop creating unfairness and hindering social mobility, the government should really think of some new policy to improve the Direct Subsidy Scheme to perfect the Hong Kong educational system.