

Head 173 — WORKING FAMILY AND STUDENT FINANCIAL ASSISTANCE AGENCY

Controlling officer: the Head, Working Family and Student Financial Assistance Agency will account for expenditure under this Head.

Estimate 2025–26	\$7,403.2m
Establishment ceiling 2025–26 (notional annual mid-point salary value) representing an estimated 1 358 non-directorate posts as at 31 March 2025 reducing by nine posts to 1 349 posts as at 31 March 2026.....	\$618.4m
In addition, there will be an estimated four directorate posts as at 31 March 2025 and as at 31 March 2026.	
Commitment balance	\$9,382.7m

Controlling Officer's Report

Programmes

Programme (1) Student Assistance Scheme	This programme contributes to Policy Area 16: Education (Secretary for Education) and Policy Area 34: Manpower Development (Secretary for Labour and Welfare).
Programme (2) Working Family Allowance	This programme contributes to Policy Area 14: Social Welfare (Secretary for Labour and Welfare).

Detail

Programme (1): Student Assistance Scheme

	2023–24 (Actual)	2024–25 (Original)	2024–25 (Revised)	2025–26 (Estimate)
Financial provision (\$m)	4,344.9	4,837.2	4,343.5 (–10.2%)	4,772.7 (+9.9%)
				(or –1.3% on 2024–25 Original)

Aim

2 The aim is to administer efficiently and cost-effectively various student financial assistance schemes, scholarships and merit award schemes.

Brief Description

3 The Agency provides publicly-funded financial assistance in the form of grants and loans to students of different levels and administers a number of privately-donated and publicly-funded scholarships and merit award schemes, such as the Sir Edward Youde Memorial Fund Scholarships, scholarships under the Education Scholarships Fund and Scholarship for Prospective English Teachers. Financial assistance disbursed by the Agency takes the form of:

- means-tested grants and loans# under the Tertiary Student Finance Scheme - Publicly-funded Programmes (TSFS) for eligible full-time students of publicly-funded institutions, i.e. University Grants Committee-funded universities, the Hong Kong Institute of Vocational Education, the Hong Kong Institute of Information Technology, Hong Kong Design Institute, Chinese Culinary Institute and International Culinary Institute, and Maritime Services Training Institute of the Vocational Training Council, the Hong Kong Academy for Performing Arts, and the Dental Technology Course of the Prince Philip Dental Hospital;
- means-tested grants and loans# under the Financial Assistance Scheme for Post-secondary Students (FASP) for eligible full-time students aged 30 or below pursuing locally-accredited, self-financing post-secondary education programmes;
- non-means-tested loans# for eligible full-time students pursuing publicly-funded programmes or locally-accredited self-financing post-secondary programmes, and eligible students pursuing specific post-secondary and continuing and professional education courses provided in Hong Kong;
- means-tested allowances under the Student Travel Subsidy Scheme (STSS) for needy students who receive formal primary or secondary education or attend a full-time day course up to the degree level, provided that these students live beyond ten minutes' walking distance from their schools;
- means-tested fee remission under the Examination Fee Remission Scheme (EFRS) for needy school candidates taking public examinations conducted or administered by the Hong Kong Examinations and Assessment Authority;

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- means-tested grants under the School Textbook Assistance Scheme (STAS) for needy students in public sector schools and local schools under the Direct Subsidy Scheme;
- means-tested grants under the Subsidy Scheme for Internet Access Charges (SIA)§ for low-income families with children who are full-time students receiving education at primary or secondary level;
- means-tested fee remission under the Kindergarten and Child Care Centre Fee Remission Scheme (KCFRS) for needy children attending kindergartens and child care centres;
- tuition fee reimbursement under the Continuing Education Fund (CEF) for eligible persons pursuing continuing education and training;
- tuition fee reimbursement under the Diploma Yi Jin (DYJ) Programme and Diploma of Applied Education (DAE) Programme for eligible students taking subjects under DYJ/DAE to gain a formal qualification for employment and continuing education; and
- tuition fee reimbursement under the Financial Assistance Scheme for Designated Evening Adult Education Courses (FAEAEC) for eligible students attending designated evening secondary courses.

Loans disbursed under these schemes are provided under the Loan Fund. Details are provided in Volume II.

§ Families with children who are full-time students receiving education at primary or secondary level and who are in receipt of the flat-rate grant for School-related Expenses under the Comprehensive Social Security Assistance Scheme are also eligible for subsidy under SIA, which is disbursed by the Social Welfare Department. The expenditure is funded under Head 173 — Working Family and Student Financial Assistance Agency.

4 The key performance measures are:

Targets

	Target Processing Time for Applications ^Ψ	Academic Year		
		2023/24 (Actual)	2024/25 (Revised Estimate)	2025/26 (Estimate)
TSFS				
application for financial assistance (%).....	60 days	99.8	99.0	99.0
application for review of financial assistance (%).....	70 days	100	100	100
FASP				
application for financial assistance (%).....	60 days	99.6	99.0	99.0
application for review of financial assistance (%).....	70 days	100	100	100
Non-means-tested Loan Schemes (NLS) (%).....				
	21 days	100	99	99
KCFRS (%).....				
	2 months	100	100	100
CEF(%)[◇].....				
	6-8 weeks [◇]	100	100	100
financial assistance for primary and secondary school students (eligibility assessment) (%)[^].....				
	3 months	100	100	100

^Ψ Target processing time is subject to submission of complete supporting documents by the applicants.

[◇] The target processing time of application for reimbursement claim for existing account holders and account opening together with first reimbursement claim for new applicants is six weeks and eight weeks respectively.

[^] Financial assistance for primary and secondary school students comprises STSS (also for full-time post-secondary students), EFRS, STAS, SIA, DYJ/DAE tuition fee reimbursement and FAEAEC.

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Indicators

	<i>Academic Year</i>		
	2023/24 (Actual)	2024/25 (Revised Estimate)	2025/26 (Estimate)
TSFS			
no. of applications	18 904	17 757	21 233
funds disbursed (\$m) (including grants and loans).....	833.6	828.9	1,023.8
no. of applications/post	110	103	120
FASP			
no. of applications	15 462	14 896	17 046
funds disbursed (\$m) (including grants and loans).....	777.9	801.7	981.8
no. of applications/post	100	96	107
NLS			
no. of applications	33 920	37 062	38 416
funds disbursed (\$m) (loans).....	1,596.5	1,810.9	1,971.5
no. of applications/post	124	136	143
KCFRS			
no. of applications	36 889	35 117	28 832
funds disbursed (\$m).....	284.6	286.1	245.0
no. of applications/post	455	428	360
Grant for School-related Expenses for Kindergarten Students			
no. of applications	35 171	33 375	27 317
funds disbursed (\$m).....	101.2	92.8	82.7
no. of applications/post	1 303	1 284	1 051
scholarships, merit awards and related schemes			
no. of applications	5 993	6 495	6 160
no. of scholarships, grants and awards granted.....	4 621	5 297	5 099
amount of scholarships, grants and awards disbursed (\$m)	29.1	32.8	32.4
no. of applications/post	333	361	342
CEFA			
no. of applications	49 497	53 779	55 393
no. of claims	51 911	55 841	57 517
funds disbursed (\$m).....	473.8	454.3	526.7
no. of claims/post	530	614	632
financial assistance for primary and secondary school students			
no. of family-based applications	149 562	147 575	149 050
no. of applications/post	610	605	616
EFRS			
no. of applications	— ^γ	12 893	13 388
funds disbursed (\$m).....	— ^γ	34.5	36.8
SIA			
no. of family-based applications	135 411	131 578	127 116
funds disbursed (\$m).....	175.3	170.4	174.3
STAS			
no. of applications	192 466	186 958	182 965
funds disbursed (\$m).....	834.6	829.6	830.3
STSS			
no. of applications ^φ	192 285	191 676	187 005
funds disbursed (\$m).....	468.7	477.6	486.8
DYJ/DAE@			
no. of applications	6 207	6 433	6 223
funds disbursed (\$m).....	67.6	91.2	89.0
no. of applications/post	1 552	1 287	1 245
FAEAEC^φ			
no. of applications	481	532	532
funds disbursed (\$m).....	2.7	3.0	3.1
no. of applications/post	241	266	266

Δ CEF is open to applications throughout the year. The figures shown here relate to financial rather than academic years.

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- γ As a one-off relief measure announced in the 2023–24 Budget, the Government paid the examination fees for school candidates sitting for the 2024 Hong Kong Diploma of Secondary Education Examination. Accordingly, the Government paid the examination fees for eligible non-Chinese speaking students sitting for the General Certificate of Secondary Education (Chinese) Examination, the International General Certificate of Secondary Education (Chinese) Examination, the General Certificate of Education (GCE) Advanced Subsidiary-Level (Chinese) Examination and GCE Advanced-Level (Chinese) Examination in the 2023/24 academic year. Hence, there was no need for needy students to apply for EFRS in the 2023/24 academic year.
- φ Number of applications includes applications of primary and secondary school students as well as post-secondary students.
- @ Financial assistance under the DYJ Programme and DAE Programme is provided on a reimbursement basis. The number of applications received and funds disbursed for students in the 2023/24 academic year are provisional figures only as reimbursement applications are still being processed.
- φ Financial assistance under FAEAEC is provided on a reimbursement basis. The number of applications received and funds disbursed for students in the 2023/24 academic year are provisional figures only as reimbursement applications are still being processed.

5 In the 2023/24 academic year, around 725 000 applications were received for processing under the various student financial assistance schemes. The Agency was generally able to process all applications with complete information within the time frame as pledged.

6 The Agency implemented improvement measures to facilitate online applications, streamlined the arrangements for student loan applicants to submit their applications, launched a chatbot to enhance enquiry services on student financial assistance schemes, and made use of mobile devices to facilitate the conduct of home visits and interviews.

Matters Requiring Special Attention in 2025–26

7 During 2025–26, the Agency will:

- continue to provide efficient and quality services to students under various student financial assistance schemes;
- continue the concerted efforts to recover student loans in arrears; and
- continue to adopt information technology to improve service delivery and enhance efficiency for processing applications, including launching a centralised e-service portal to facilitate single sign-on for different e-services of the Agency.

Programme (2): Working Family Allowance

	2023–24 (Actual)	2024–25 (Original)	2024–25 (Revised)	2025–26 (Estimate)
Financial provision (\$m)	2,200.8	2,979.1	2,304.9 (–22.6%)	2,630.5 (+14.1%)
				(or –11.7% on 2024–25 Original)

Aim

8 The aim is to administer efficiently and cost-effectively the Working Family Allowance (WFA) Scheme, which seeks to encourage self-reliance and ease inter-generational poverty.

Brief Description

9 The Agency has implemented the WFA Scheme (formerly known as the Low-income Working Family Allowance Scheme) since 1 April 2018 to provide means-tested allowance to eligible low-income working households, in particular those with children and youth.

10 The Agency has implemented several improvement measures to facilitate online applications, and launched a chatbot to enhance enquiry services on WFA Scheme.

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Matters Requiring Special Attention in 2025–26

11 During 2025–26, the Agency will:

- continue to promote and administer the WFA Scheme and assist eligible households in applying for the allowance;
- continue to adopt information technology to improve service delivery and enhance efficiency for processing applications, including launching a centralised e-service portal to facilitate single sign-on for different e-services of the Agency; and
- provide a one-off extra payment for eligible recipients.

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ANALYSIS OF FINANCIAL PROVISION

	2023–24 (Actual) (\$m)	2024–25 (Original) (\$m)	2024–25 (Revised) (\$m)	2025–26 (Estimate) (\$m)
Programme				
(1) Student Assistance Scheme	4,344.9	4,837.2	4,343.5	4,772.7
(2) Working Family Allowance	2,200.8	2,979.1	2,304.9	2,630.5
	6,545.7 ^λ	7,816.3	6,648.4 (–14.9%)	7,403.2 (+11.4%)
				(or –5.3% on 2024–25 Original)

^λ The provision excludes the cash flow requirements for implementing the Caring and Sharing Scheme, which does not fall under any of the above programmes.

Analysis of Financial and Staffing Provision

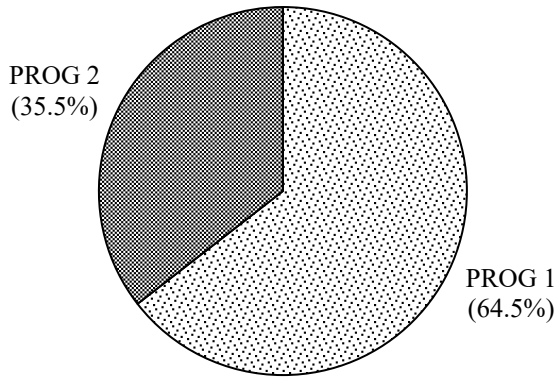
Programme (1)

Provision for 2025–26 is \$429.2 million (9.9%) higher than the revised estimate for 2024–25. This is mainly due to the additional cash flow requirement for operating expenses, student financial assistance and CEF. There will be a net decrease of nine posts in 2025–26.

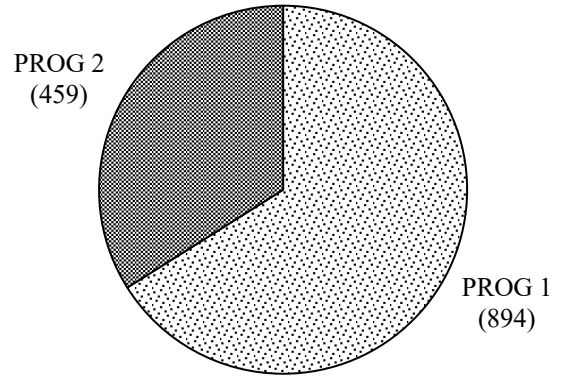
Programme (2)

Provision for 2025–26 is \$325.6 million (14.1%) higher than the revised estimate for 2024–25. This is mainly due to the increased provision for disbursement of allowances under the WFA Scheme in anticipation of possible increase in the number of applications and to reflect the continued effect of increasing payment rates by 15 per cent in April 2024.

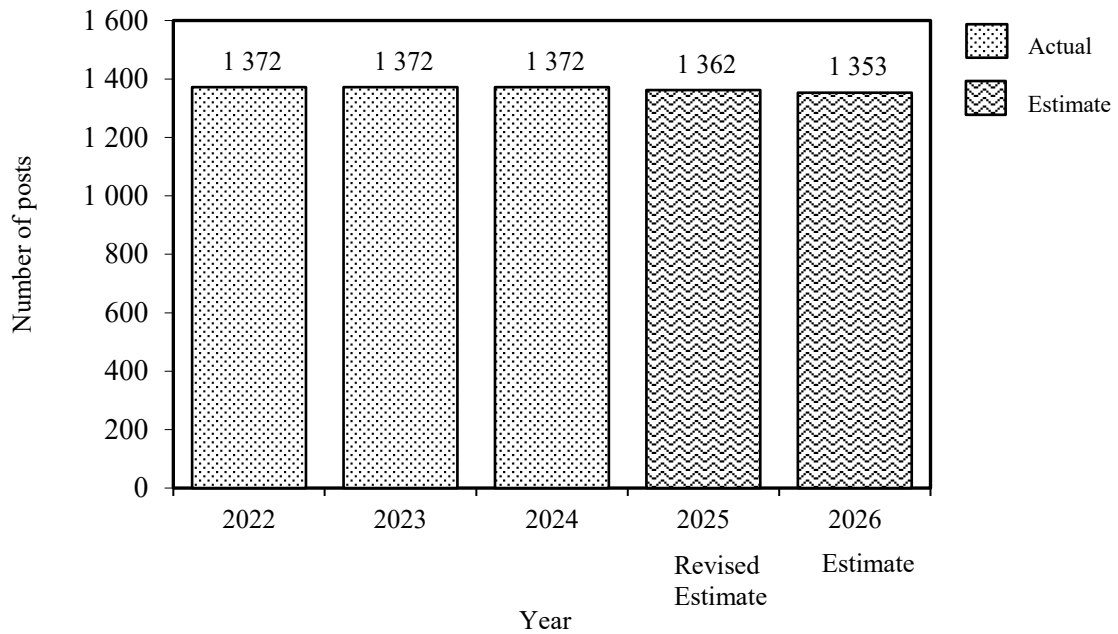
*Allocation of provision
to programmes
(2025-26)*



*Staff by programme
(as at 31 March 2026)*



*Changes in the size of the establishment
(as at 31 March)*



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Sub-head (Code)	Actual expenditure 2023–24	Approved estimate 2024–25	Revised estimate 2024–25	Estimate 2025–26	
	\$'000	\$'000	\$'000	\$'000	
Operating Account					
Recurrent					
000	Operational expenses	953,341	1,058,724	994,988	1,103,825
199	Working family allowance.....	1,712,856	2,465,162	1,816,717	2,098,527
228	Student financial assistance	3,296,633	3,546,763	3,274,163	3,542,280
	Total, Recurrent.....	<u>5,962,830</u>	<u>7,070,649</u>	<u>6,085,868</u>	<u>6,744,632</u>
Non-Recurrent					
700	General non-recurrent	583,086	745,632	562,578	658,522
	Total, Non-Recurrent.....	<u>583,086</u>	<u>745,632</u>	<u>562,578</u>	<u>658,522</u>
	Total, Operating Account	<u>6,545,916</u>	<u>7,816,281</u>	<u>6,648,446</u>	<u>7,403,154</u>
	Total Expenditure	<u><u>6,545,916</u></u>	<u><u>7,816,281</u></u>	<u><u>6,648,446</u></u>	<u><u>7,403,154</u></u>

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Details of Expenditure by Subhead

The estimate of the amount required in 2025–26 for the operating expenses of the Working Family and Student Financial Assistance Agency is \$7,403,154,000. This represents an increase of \$754,708,000 over the revised estimate for 2024–25 and \$857,238,000 over the actual expenditure in 2023–24.

Operating Account

Recurrent

2 Provision of \$1,103,825,000 under *Subhead 000 Operational expenses* is for the salaries, allowances and other operating expenses of the Working Family and Student Financial Assistance Agency. The increase of \$108,837,000 (10.9%) over the revised estimate for 2024–25 is mainly due to the salary provision for filling of vacancies.

3 The establishment as at 31 March 2025 will be 1 362 posts. It is expected that there will be a net decrease of nine posts in 2025–26. Subject to certain conditions, the controlling officer may under delegated power create or delete non-directorate posts during 2025–26, but the notional annual mid-point salary value of all such posts must not exceed \$618,401,000.

4 An analysis of the financial provision under *Subhead 000 Operational expenses* is as follows:

	2023–24 (Actual) (\$'000)	2024–25 (Original) (\$'000)	2024–25 (Revised) (\$'000)	2025–26 (Estimate) (\$'000)
Personal Emoluments				
- Salaries	522,253	617,707	560,017	628,972
- Allowances	6,303	7,534	8,469	8,603
Personnel Related Expenses				
- Mandatory Provident Fund contribution	2,019	2,191	1,857	2,211
- Civil Service Provident Fund contribution	46,426	57,642	53,989	70,823
Departmental Expenses				
- General departmental expenses	376,340	373,650	370,656	393,216
	953,341	1,058,724	994,988	1,103,825

5 Provision of \$2,098,527,000 under *Subhead 199 Working family allowance* is for the disbursement of allowances under the Working Family Allowance Scheme, which provides a means-tested allowance to eligible low-income working households. There is an increase of \$281,810,000 (15.5%) over the revised estimate for 2024–25 in anticipation of possible increase in the number of applications and to reflect the continued effect of increasing payment rates by 15 per cent in April 2024.

6 Provision of \$3,542,280,000 under *Subhead 228 Student financial assistance* is for the payment of student financial assistance under various schemes to students at all levels of study in meeting their education expenses, such as tuition and examination fees, textbooks, Internet access charges and other academic and travel expenses.

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Commitments

Sub-head (Code)	Item (Code)	Ambit	Approved commitment \$'000	Accumulated expenditure to 31.3.2024 \$'000	Revised estimated expenditure for 2024–25 \$'000	Balance \$'000
<i>Operating Account</i>						
700		<i>General non-recurrent</i>				
	508	Continuing Education Fund	16,200,000	6,450,785	487,118	9,262,097
	816	Additional provision for Working Family Allowance recipients 2024	100,000	—	75,438	24,562
	817	Additional provision for Working Family Allowance recipients 2025 [⊠]	96,000 [⊠]	—	—	96,000
		Total	16,396,000	6,450,785	562,556	9,382,659

⊠ This is a new item, funding for which is sought in the context of the Appropriation Bill 2025.