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Government of the HKSAR
Education Bureau

27 March 2013

Education Bureau Circular No. 2/2013

Retention Incentive for Native-speaking English Teachers (NETs) under the Enhanced NET Scheme in Secondary Schools/NET Scheme in Primary Schools

[Note: This circular should be read by –

- (a) Supervisors/Heads of all aided secondary and primary schools, caput schools and special schools with a secondary/primary section – for necessary action; and
- (b) Supervisors / Heads of all private secondary and primary schools/DSS schools, Heads of Sections/Government secondary and primary schools – for information]

SUMMARY

This circular is to provide details of the arrangements for the retention incentive for eligible NETs who have completed at least two years of continuous service under the Enhanced NET Scheme in Secondary Schools or the NET Scheme in Primary Schools. Schools are requested to bring this circular to the attention of their NETs. This circular supersedes the Education Bureau (EDB) Circular No. 2/2006 dated 24 February 2006 on “A New Retention Incentive and the Revised Special Allowance Rate for NET under the NET Schemes in Secondary and Primary Schools”.

RETENTION INCENTIVE

2. Since the 2005/06 school year, the retention incentive has been introduced to provide additional incentive for serving NETs to continue their service in Hong Kong. Eligible NETs may apply for the retention incentive through their schools (i.e. employers) subject to the following conditions . **For newly-joined NETs who join the NET Scheme in or after the 2025/26 school year (including serving NETs who re-join the NET Scheme after a break in service), they are not eligible for the retention incentive.**

- (a) The retention incentive is only applicable to NETs who already have completed at least two years of continuous service in the NET Schemes when they apply for the retention incentive. Under normal circumstances, NETs have to serve continuously in the Schemes in order to be eligible for the retention incentive. However, if they have completed their previous contract on 15 August and start a new contract on or before the first day of the coming school year, they can also apply for the retention incentive;
- (b) The eligibility of a NET for the retention incentive is subject to the school management's satisfaction with the performance of the NET, as reflected in the annual performance appraisal, and the willingness of the school to retain his or her service throughout the remaining contract period;
- (c) NETs, who have served two years of continuous service and are in the third and

fourth years of continuous service, are eligible to apply for receiving a retention incentive at **5% of current base salary**, on top of their current base salary for the **third and fourth years of service**. The incentive is payable on a monthly basis in advance starting from the beginning of the third year of service until the end of that school year or the end of contract (whichever the earlier), and will continue to be payable until the end of the fourth year of service subject to the school management's confirmation in the annual appraisal that the performance of the NET is satisfactory;

- (d) NETs, who have served four years of continuous service and are in the **fifth year of service onwards**, are eligible to apply for a retention incentive at **10% of current base salary**, on top of their current base salary for the **fifth year of service onwards**. The incentive is payable on a monthly basis in advance starting from the beginning of the fifth year of service until the end of that school year or the end of contract (whichever the earlier), and will continue to be payable in subsequent years of continuous service subject to the school management's confirmation in the annual appraisal that the performance of the NET is satisfactory;
- (e) The retention incentive will be forfeited upon resolution or termination of contract before its natural expiry, except where a NET is transferred from one school to another and such transfer is to be arranged by the EDB. Where premature resolution or termination of contract is initiated by the NET, the cumulative incentive paid for the months prior to the effective date of resignation in that school year will be clawed back. Where premature resolution or termination of contract is initiated by the school because of unsatisfactory performance or conduct of the NET, the cumulative incentive paid for the months in that school year after having received a written warning will be clawed back. If the NET's service is terminated by the School prematurely for reasons other than unsatisfactory performance or conduct of the NET, subject to the terms of the Contract, the NET may be granted a retention incentive for the period of service completed, including school holidays taken within the period of service. The school heads should inform the EDB immediately of the resolution or termination of NET's contract;
- (f) The School may withhold the grant of retention incentive if the NET is or will likely be subject to any disciplinary or criminal proceedings or investigation into any acts which may affect the grant of retention incentive;
- (g) A NET may render himself/herself liable to disciplinary/legal action and/or disqualification from receiving a retention incentive if he/she is found to secure or have secured the incentive by misrepresentation or deception;
- (h) The retention incentive shall be credited monthly in arrears to the NET's salary account. The incentive is not payable when the NET is on no-pay leave;
- (i) The Permanent Secretary for Education shall reserve the right and discretion to refuse any applications for the retention incentive or to discontinue the payment of an incentive without assigning reasons thereof. In the event of any dispute in the exercise of the right and discretion, the Permanent Secretary for Education's decision shall be final;

- (j) Notwithstanding anything contained in this circular on the retention incentive, the Permanent Secretary for Education reserves the right to alter any of these regulations and conditions should he or she at any time consider this to be necessary; and
- (k) The retention incentive will not attract contract gratuity. The gratuity payable for the NET contract will remain the sum which, when added to the employer's contribution to the Mandatory Provident Fund Scheme, equals 15% of the total base salary drawn during the period of the contract.

APPLICATION

3. The standard application form for the retention incentive is available at the EDB website (<http://www.edb.gov.hk/> → Curriculum Development → Resources and Support → [Native-speaking English Teacher \(NET\) Scheme](#)). Eligible NETs are required to apply for the retention incentive **each school year** through their schools before they leave for summer vacation. Eligible NETs who are going to change schools in the coming school year should submit the completed application forms to the new schools instead. The completed application form should be certified by the serving school supervisor and forwarded directly to the **NET Administration Team of the Education Bureau**.

ENQUIRIES

4. For enquiries, please contact the NET Administration Team on 3540 7435 or 2892 6495.

Y. F. LEE
for Secretary for Education