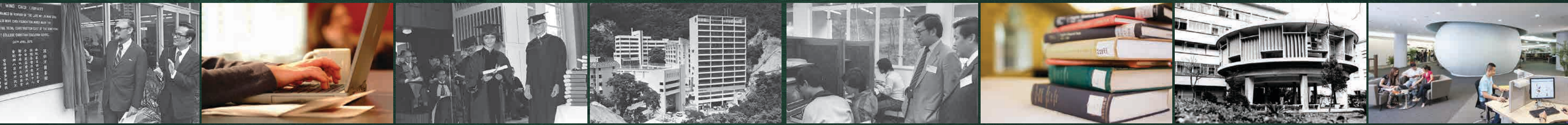


Years of Growth



The Beginning

Back in 1965 when the UGC was established, Hong Kong had two publicly-funded universities: The University of Hong Kong (HKU), established in 1911 on the foundations laid by the Hong Kong College of Medicine, which was founded in 1887; and The Chinese University of Hong Kong (CUHK), established in 1963 with the joining of United College, New Asia College and Chung Chi College into a collegiate system. Together they offered first-year, first-degree places to about two per cent of school leavers, namely the 17 to 20 age group.

HKU had four faculties (arts, science, medicine, and engineering) while CUHK had three faculties (arts, science, and commerce and social science) and student populations of about 2 200 and 1 800 respectively. Recognising the need for advice on government funding for universities and the development of the higher education sector to meet community needs, in November 1964, the then Hong Kong Government invited Sir Edward Hale, Secretary to Britain's University Grants Committee from 1951-57, to advise on whether a committee similar to the body in the United Kingdom should be established in Hong Kong. He was also requested to advise on an appropriate constitution, composition, terms of reference, methods of operation for the committee, and the formation of its secretariat, should there be a need for such a body.

After a visit in January 1965 to meet academics, administrative staff, and council members from the two universities, Sir Edward produced his report on "The Financing of Universities in Hong Kong". In this report, Sir Edward advised that the then Hong Kong Government was in need of an impartial and expert body to provide advice on higher education. The Hale Report was accepted by the then Government and the UGC was formally established in October 1965.

The Committee was initially composed of nine members. Serving as the first UGC chairman was the late Sir Michael Herries, the then Legislative Councillor and Chairman and Managing Director of Jardine, Matheson & Co. Ltd., Hong Kong. Sir Michael led the committee until 1973. Most other members were leading academics from abroad and a few prominent local social and business figures.

Mission

The UGC is an independent and non-statutory body which advises the Government of the Hong Kong Special Administrative Region on the funding and strategic development of higher education in Hong Kong. In this role, the UGC works with institutions, the administration and the community to promote excellence in the higher education sector, with a view to nurturing high-quality people to promote the economic and social development of Hong Kong, and to establishing Hong Kong as the education hub of the region.

The UGC will :

- oversee the deployment of funds for the strategic development of the higher education sector;
- support the continuous development of the higher education sector to achieve greater impact and recognition, and as a source of innovation and ideas for the community;
- give steering advice to the higher education sector from a system perspective and facilitate institutions to fulfill their distinctive roles;
- enhance the student experience and advance the international competitiveness in teaching, research and knowledge transfer by institutions in accordance with their agreed roles;
- facilitate the sustainable development of higher education to meet the demands of the changing times;
- encourage deep collaboration among institutions to develop an interlocking system to increase international competitiveness of the sector; and
- safeguard quality and promote efficiency, cost-effectiveness and accountability in the activities of institutions.

In carrying out the above activities, the UGC seeks to preserve institutional autonomy and academic freedom, in the context of appropriate financial and public accountability.

The Past 50 Years

1965-75

- Late 1960s • HKU and CUHK gradually expanded with increased government grants.
- 1969 • Recognising the possible need for a polytechnic-type institution, a Polytechnic Planning Committee was established under the UGC in May.
- 1971 • The Polytechnic Planning Committee submitted its final report.
- 1972 • The Hong Kong Polytechnic was formally established, taking over the campus and staff of the Hong Kong Technical College in Hung Hom established in 1947. The new polytechnic came under the aegis of the UGC, which was renamed the University and Polytechnic Grants Committee (UPGC) in April.

“My days as a history major at Chinese University were enlightening. Rather than simply learning from textbooks, we were exposed to a wide range of ideas. It was a much broader education than I received at school, and it inspired me to develop my own thoughts on various issues.”

Mr Dick LEE Ming-kwai, GBS
Graduate from CUHK in 1972



HKU campus in the 1970s



CUHK campus in the 1970s



The Hong Kong Polytechnic in the 1970s

“The ability to approach issues analytically helped me move through different roles and positions in the organisation, and I learned the importance of integrity as a business leader.”

Mr CHAN Siu-hung, JP
Graduate from the then Hong Kong Polytechnic in 1979

1976-85

- 1981 • Pursuant to the proposals to expand the university student population contained in the 1978 White Paper on the Development of Senior Secondary and Tertiary Education published by the Government, the UPGC recommended to the Government a four per cent annual increase of the university student population. The Government accepted the recommendation.
- 1983 • Hong Kong Baptist College, set up in 1956, came under the aegis of the UPGC.
- The UPGC accepted the report of the working group on research, chaired by Lord Flowers, that envisaged a phased increase in funds in the block grants for fundamental research and the establishment of a Research Grants Committee, which would, through a system of peer evaluation, consider applications for the funding of particular research projects in areas of strategic importance to the city.
- The UPGC recommended to the Government the need for funding for research in institutions to maintain the academic health of the institutions, as well as to provide a base on which the community, business and industry could draw for particular research projects.
- 1984 • City Polytechnic of Hong Kong was established and brought within the ambit of the UPGC.

The Honourable Sir Ti Liang YANG, GBM

*Former UPGC Chairman
(January 1981 – December 1984)*

For two years before I assumed the chairmanship of University and Polytechnic Grants Committee (UPGC) in 1981, I was Deputy to the Chairman Sir John Bremridge of the Swire Group, later the Financial Secretary of Hong Kong. My recollection is that the first chairman was Sir Michael Herries, head of Jardine and Matheson, followed by a senior accountant, Sir Sidney Gordon. So I was the fourth Chairman. In our time, we had under the committee's umbrella three institutions, namely The University of Hong Kong, The Chinese University of Hong Kong and the Hong Kong Polytechnic (hence the "P" in "UPGC"). Now the committee is called the UGC because all the former polytechnics within its purview have been granted university titles.

We had a small secretariat, which rented a floor in an office building on the top of Ice House Street. There being no parking lot, getting there was a little difficult for some. There were, of course, no computers in those days, and it was only in about 1983 that we had a word processor, which was such a novelty that we all marvelled at it. Before that, the poor typists had to churn out tons

Widening Access to Higher Education

of paper by typing. Thinking back now, we were so behind the times that we did not have a computer until well into the 1980s. Indeed, graduates from the institutions were not taught computer literacy until much later. It therefore caused a bit of a stir when we persuaded Baptist College (later University) to introduce that course.

In the 1970s and 1980s, Hong Kong enjoyed phenomenal economic growth. We had a manufacturing industry, service industry, tourism, property development, and so on, all thriving. More and more young men and women were able to enter university so there was an urgency to have more institutions of higher education. The result was The Hong Kong University of Science and Technology, which opened its doors to students in 1991.

There were also specific needs which had to be considered. At that time there was no dental school in Hong Kong. Young people had to go to Australia, the U.K. or the U.S.A. to seek the required training. For those who did not want to be too far away from home, they might go to the University of the Philippines, which had a dental school of good reputation, and the professional certification gained in that university was accepted here. After intense discussions at the UPGC, we were able to establish a School of Dentistry in the University of Hong Kong, all within only a few years.

We noted that research should be upgraded and encouraged. For that purpose, funding was necessary. We therefore recommended the forming of a Research Grants Committee under the UPGC, and we were fortunate enough to have as its first head Lord Flowers, Vice Chancellor of the University of London. Under his leadership, we saw an increase in the number of research papers produced by the academic staff, many of which reached a high international standard.

A perennial issue for the heads of institutions was funding. They

sometimes complained to us about the lack of money, asking us to convey their needs to the Government. That is why a senior member called our committee a "bulwark" between the Government and the institutions. We would submit our recommendations to the Government on their behalf and, whenever there were any queries, the Government would come to us, instead of going directly to the institutions. We also explained government policies to the institutions. Thus we were able to resolve differences and ensure that all our recommendations were acceptable to both sides. We were the middleman. It turned out that our recommendations were all accepted by the Government.

Also encouraging was the fact that in those days, university education did provide a way for young people from the grassroots to move up the ladder. The booming economy then needed a lot of talents. We therefore had no doubt about the need to expand university education, which was very elitist then. The population was growing, and parents wanted their children to move on and receive their education in tertiary institutions. We adhered to the principle that any young man or woman who could benefit from higher education should not be denied that opportunity because his or her family could not afford it. Hence, we supported loans and grants to students.

There may be some doubt whether there is as much social mobility today. Graduates from tertiary institutions are said to have difficulties in finding well-paid jobs because of the large supply of degree-holders. It therefore raises the question of balance. From another perspective, one may also look at higher education as the right for every person to better himself, not necessarily in his career but in life as a whole. Higher education institutions are therefore valuable in fostering personal development and character building.

1986-95



The opening of HKUST in 1991



Lingnan College moves to its campus in Tuen Mun in 1995

- 1989
- The Government announced a massive expansion of opportunity for undergraduate education by increasing the number of first-year, first-degree places to 15 000 (subsequently reduced to 14 500 in light of revised population projection following the 1991 census) by 1994/95 academic year - a participation rate of 18 per cent for the 17 to 20 age group.
 - The UPGC was commissioned by the Government not only to advise on, and oversee the implementation of, the expansion plan itself, but also to undertake a review of the development of higher education in Hong Kong with a view to determining whether further expansion of tertiary education would be desirable or practicable over the period 1995-2000.
- 1991
- Based on the UPGC's recommendation, the Research Grants Council (RGC) was established in January under the aegis of the UPGC to advise the Government on research funding among tertiary institutions, with members comprising local and overseas academics, and local lay members. The council provides funding support for diverse projects and activities through its Earmarked Research Grant.
 - Lingnan College was made a degree-conferring institution and came under the aegis of the UPGC.
 - The Hong Kong University of Science and Technology (HKUST) was established and brought under the ambit of the UPGC.
 - In response to the recommendations in the Education Commission's Reports Numbers 3 and 4 in 1988 and 1990 respectively that additional resources should be provided for remedial teaching of English at tertiary institutions, the UPGC provided institutions with Language Enhancement Grants as additional support for students' language enhancement.

- 1993
- The first Research Assessment Exercise (RAE) was launched by the UPGC as part of its performance-based assessment process, followed by subsequent exercises in 1996, 1999, 2006 and 2014. Research submissions from the UGC-funded institutions were reviewed by panels comprising local and international experts. The RAE results have been used to inform the distribution of the research portion of the UGC block grant to institutions since then.
 - The UPGC supported an eight per cent increase in taught postgraduate numbers per annum and about five per cent in research graduates per annum in the 1995-98 triennium.
- 1994
- City Polytechnic of Hong Kong, Hong Kong Baptist College and Hong Kong Polytechnic were granted university status and renamed City University of Hong Kong (CityU), Hong Kong Baptist University (HKBU) and The Hong Kong Polytechnic University (PolyU). The committee's name was changed back to University Grants Committee.
- 1995
- The UGC carried out a series of Teaching and Learning Quality Process Reviews to help enhance teaching and learning quality at institutions.
 - Teaching Development Grants were allocated to institutions for the purpose of encouraging innovative teaching approaches and improvements to the learning environment.



The opening of Shaw campus at HKBU in 1995

“ I had opportunities to try out different learning experiences, sports, languages, and ways of engaging with the community. All of these led to my path in social innovation and social entrepreneurship. ”

Mr Francis NGAI Wah-sing
Graduate from CityU in 1994

Preparing the Way for More Universities

The last 50 years have seen the most momentous changes in the world. Amidst these changes, Hong Kong has been transformed from a British colony with an economy based on manufacturing to a Special Administrative Region of China under the principle of “one country, two systems” and an international financial centre.

During this period, the UGC (formerly known as the University and Polytechnic Grants Committee) has played a crucial role in nurturing the development of tertiary education. In 1965, when the committee was established, there were only two universities. Today, there are eight institutions within its purview with their various missions and different roles. Hong Kong has progressed to become an education hub in the region.

I was privileged to have served as Member (1979-1986), Deputy Chairman (1988) and Chairman (1989-1993). Putting my time on the committee in its historical context, the Joint Declaration between China and the United Kingdom for the resumption of the exercise of sovereignty by China on 1 July 1997 was signed in December 1984. In April 1990, the Basic Law was promulgated. After June 1989, Hong Kong had to cope with the effect of the unfortunate events in Mainland China at that time and the concern over emigration.

During my tenure, the major task the committee had to deal with was the massive expansion in tertiary education announced by Governor David Wilson in his Policy Address in October 1989. The committee was asked to increase the provision of first-year, first-degree places to 15 000 in 1997. This meant places for over 18 per cent of the relevant age group compared to seven per cent in 1989. This was a huge undertaking. I believe that with the dedicated and vigorous efforts of the institutions, this was satisfactorily accomplished. Government as advised by the committee provided

adequate funding. At that time, world recession and stagnation in academic development elsewhere worked to our advantage.

Important matters which the committee dealt with under my Chairmanship also included: the founding of the Research Grants Council, implementing the Government’s decision to move to a two-year sixth form and A level examination for all entrants to first degree courses as recommended by the Education Commission’s Report No. 3, the establishment of The Hong Kong University of Science and Technology and the preparation of then Hong Kong Baptist College for university status. The committee was also concerned with the enhancement to standards in English, the encouragement of inter-institutional collaboration and the fostering of academic exchanges between the Mainland and Hong Kong in tertiary education.

Looking back, I was always touched by the sessions with students during visits to the institutions. With their youthful ideals, their presentations and the dialogue with them were invariably interesting. They reminded one that the work of the committee is essentially concerned with the future of succeeding generations and that makes it so worthwhile.

The meetings which the committee had with the Governor were also memorable. The Governor was briefed on the important issues. Since time was limited, the presentations had to be focused and concise. The questions asked by the Governor were penetrating and the discussions stimulating. Reminiscing, when I was the most junior member, the Chairman advised me that at these meetings, I should not speak unless invited to do so. I ended up as Chairman when I had to lead the presentations.

I derived great benefit from serving on the committee. One learnt how to cut through a complex problem to the essential issues that had to be addressed. One had to focus on the big picture and not be submerged by

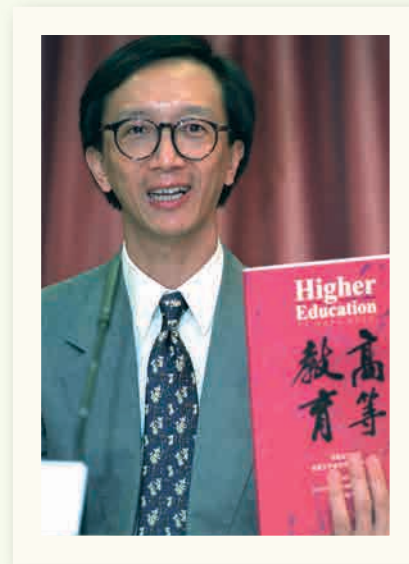
*The Honourable
Andrew LI Kwok-nang,
GBM, CBE, JP
Former UPGC Chairman
(January 1989 – March 1993)*

the details. Since it is a sizeable committee and time is limited, one appreciated the importance of formulating and articulating one’s contribution succinctly.

The committee always had a good esprit de corps. I enjoyed and learnt a great deal from working with colleagues, academic and lay and local and overseas, and from the dedicated leaders of the institutions, particularly Professors Wang Gungwu, Charles Kao, Woo Chia-wei and Daniel Tse Chi-wai. I also made many enduring friendships. The experience has enriched and inspired me. I shall always remember it with great affection.

The rationale of the UGC mechanism is that it acts as a buffer between the Government and the academic institutions. It provides impartial and professional advice to the Government on the funding and development of higher education and ensures appropriate financial and public accountability. At the same time, it has a duty to protect institutional autonomy and academic freedom. In this fast-changing world, the committee faces different challenges from time to time in varying political, economic and social conditions. It has fulfilled its mission successfully in the past 50 years. I am confident it will continue to play its role effectively in the future.





The then UGC Chairman Mr Antony Leung Kam-chung unveils the 1996 “Higher Education in Hong Kong” report

1996-2005

- 1996 • The Hong Kong Institute of Education (HKIED), formally established in 1994 by amalgamating the four former Colleges of Education and Institute of Language in Education, came under the aegis of the UGC.
- The UGC proposed the Area of Excellence scheme to raise the level of “centres of excellence” among the institutions to internationally recognised status. It encouraged institutions to consolidate and elevate existing strengths to a previously unobtainable level of excellence by internal differentiation of funding.
- Commissioned by the Government to study the whole of higher education in Hong Kong, the committee released in November its report “Higher Education in Hong Kong”, which took three years to complete and involved widespread consultations with the Government and the institutions, as well as more than 50 industrial organisations, professional bodies and companies, on top of a wide range of other interested parties.

The report made 25 recommendations to the Government, institutions and employers. The recommendations, largely accepted by the Government, included increased funding for research, greater provision for student residences, recruitment of non-local students at undergraduate and postgraduate levels, development of continuing and professional education, and greater collaboration between industry and the institutions, etc.



UGC members’ visit to HKIED in 2010

- 1998 • At the request of the Government, the UGC conducted a teacher education review to upgrade the professional qualifications, education and training of primary, secondary school teachers and principals. The report was submitted to the Government in February with a number of recommendations regarding the upgrading of the teaching profession, and the development of the HKIED and other teacher education providers.
- As part of the UGC’s on-going activities to assure management quality and value for money in the higher education sector, the UGC embarked on a round of Management Reviews in 1998. The reviews supported the institutions in enhancing the quality of management, and promoted the sharing of experiences and best practices, as well as self-assessment and self-improvement.
- 1999 • Having acquired self-accrediting status, Lingnan College was renamed Lingnan University (LU).
- 2001 • In May, the UGC launched another review on higher education, commissioned by the then Secretary for Education and Manpower. Building on the 1996 report, the Higher Education Review looked primarily into how the higher education sector should position itself in assisting Hong Kong in its transformation into a knowledge-based economy and covered all aspects of higher education provision, including the governance of institutions and an administrative framework for a much expanded post-secondary sector.

“ Amidst all these the UGC had the daunting task of advising the Government and a growing tertiary education sector on how to provide the younger generation with both the mindset and skill-set to engage locally, regionally, nationally, even globally. ”

Professor Helen F H SIU
Former UGC member (April 1992 - March 2001)



Lord Sutherland (right), the then UGC Chairman Dr Alice Lam Lee Kiu-yue and Secretary-General Mr Peter P T Cheung (left) meet with the press in 2002

Striding Towards a Knowledge Society

The unprecedented, rapid expansion in tertiary education in the early 1990s opened the door to far more school leavers aspiring for university education. The UGC supported the Government's decision to raise to 18 per cent by 1994 the percentage of the 17 to 20 year group with access to first-year, first-degree places.

That compared to a mere two per cent in the 1970s. Furthermore, by early 2000s, Hong Kong saw a doubling of the participation rate in post-secondary education to 60 per cent, including students who furthered their education abroad, and enrollees in the expanded sub-degree and self-financed sectors.

Hong Kong did the right thing in enhancing its population's educational level. The developed world had an 80 per cent post-secondary education participation rate, and our neighbours such as Taiwan and Shanghai a 66 per cent rate back in those days, according to data from the Organisation for Economic Co-operation and Development.

It was also encouraging to see local institutions' marked improvement in research, as shown by the number of citations of our academics in refereed journals. Before, local academics were hardly named in international research. There has been a notable rise in the number of both taught and research postgraduate places, in response to the strong demand for such training in the region.

As part of the work of the UGC, we put increased

emphasis on research by launching the Research Assessment Exercise, and to draw attention to teaching and learning quality at institutions via the Teaching and Learning Quality Process Reviews.

Following the norm in the West, particularly in the UK where a number of polytechnics were upgraded to universities, and in the US where many colleges were also universities in nature, we increased the number of universities here. We hoped that through market forces, employers would know which were best at which subject. We also adopted the notion of centres of excellence to differentiate among institutions, by encouraging them to develop their strengths. Competition, whether for funding or students, was inevitable. It is only through competition not just in Hong Kong but worldwide that you can really excel. It is really through the development of top talents that Hong Kong can really survive. Competition among nations, companies, and regions is a war of talents – nothing more, nothing less.

From time to time we heard queries about whether there was an oversupply of university graduates, but it is now a consensus that the world has moved from an industrial society to a knowledge society, which requires everybody to be knowledgeable to survive and hopefully prosper.

If we had offered university places to only nine per

Mr Antony LEUNG Kam-chung

Former UPGC Chairman (April 1993 – March 1996)

Former UGC Chairman (April 1996 – March 1998)

cent of our young school leavers, how would the jobs that required well-educated workers be filled?

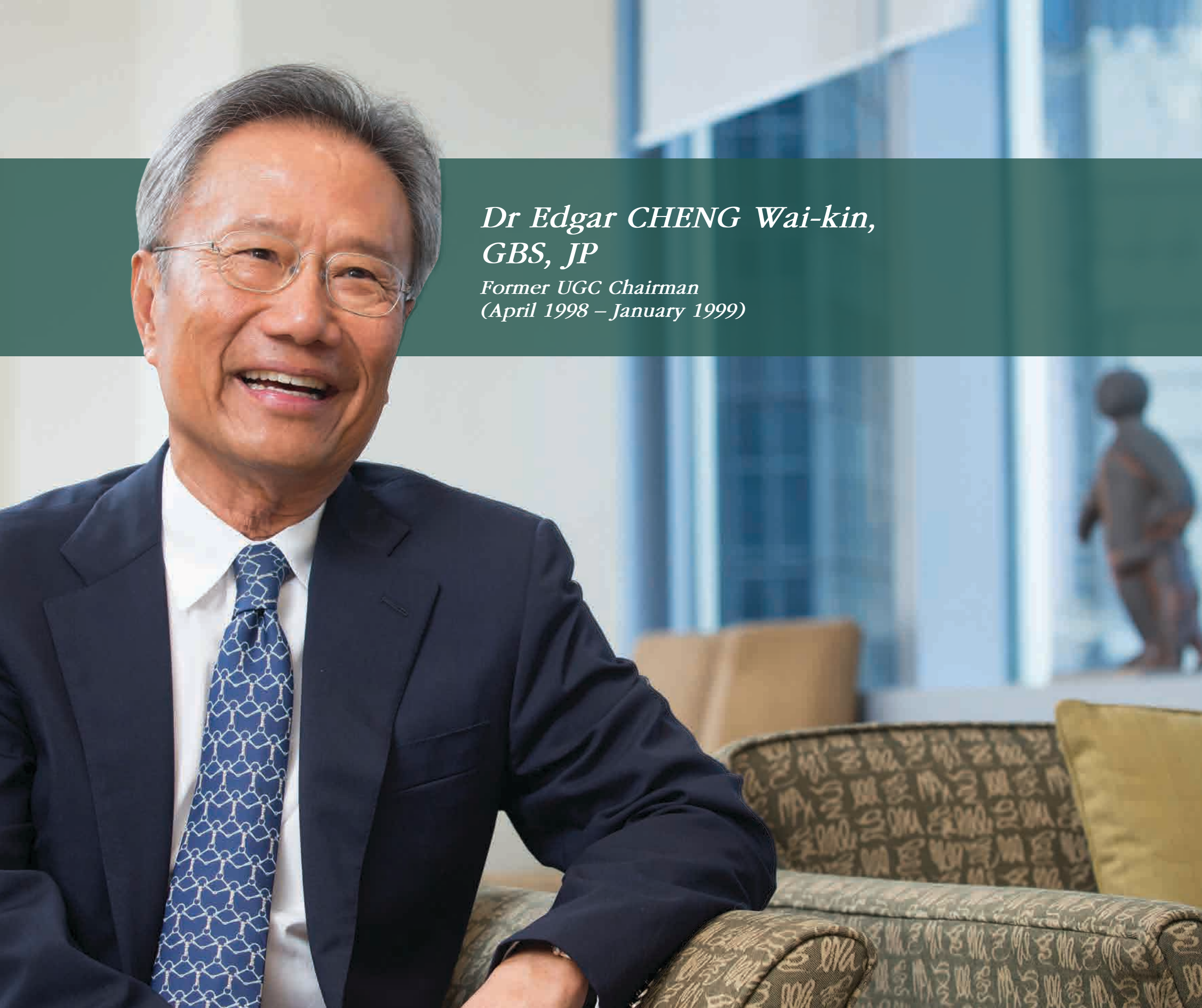
The need for a well-educated labour force is even more acute today, when the world is facing unprecedented changes. Some would say the world has moved from an information society to a creative society. No matter what, in a knowledge economy you combine different ideas creatively and serve a customised solution to each individual, earn the value premium and reach out to a lot of people at the same time.

When I became the head of the Education Commission after leaving the UGC in the late 1990s, one of my goals for the education reform was to stop putting senior secondary students into arts or science stream and to promote broad-based education through a four-year university curriculum.

Apart from broadening students' exposure, we must maintain our edge in English proficiency if we want to continue to be a bridge between the East and West. Mastering the Chinese language, is of course, also important.

Looking back, my work at the UGC was very rewarding. Many times we held different views from the Government but the Government was gracious enough to give us much freedom.





*Dr Edgar CHENG Wai-kin,
GBS, JP*

*Former UGC Chairman
(April 1998 – January 1999)*

Staying Relevant through Continuous Reviews

The 50th anniversary of the UGC offers a welcome opportunity to praise this institution and the dedicated people who have helped to guide it, and through their guidance, propelled Hong Kong's university system to the top of the leagues in terms of global and regional rankings. This is no mean feat, in face of rapid global change, as well as the increasingly fierce competition for faculty and students from long-established systems in Europe and North America and the younger systems that are catching up quickly in our own neighbourhood.

My time as UGC Chairman was brief – less than a year – so I regard myself as more an observer than a significant actor in the history of the institution. It was very much a privilege to be able to observe the UGC from the inside, and to gain a better understanding of its role as well as limitations. Its advice looks beyond the immediate horizon, and provides a continuum that goes beyond its individual members. It can afford to take the long view.

Looking back after 16 years, it seems to me that it is this continuum that underpins the effectiveness of the UGC. If continuum meant blind inertia, that would not be much of a compliment. The UGC, however, has excelled at refreshing its ideas, through 360-degree reviews that look at both the local and global context for higher education, and how to deal with the eternal problem of using limited resources to provide the next generation with a globally competitive education. The most recent review was completed in 2010; another will be launched before long.

The fact that the UGC has the capacity to look at its own work in this way means that it can refresh its mission over time and stay relevant. It also means that our higher education sector as a whole has a built-in feedback loop helping it to adapt to the pressures of globalisation as well as China's rapid advances. My brief experience there has left me with a sense of humility as well as pride in having been a part of a robust and self-renewing process.

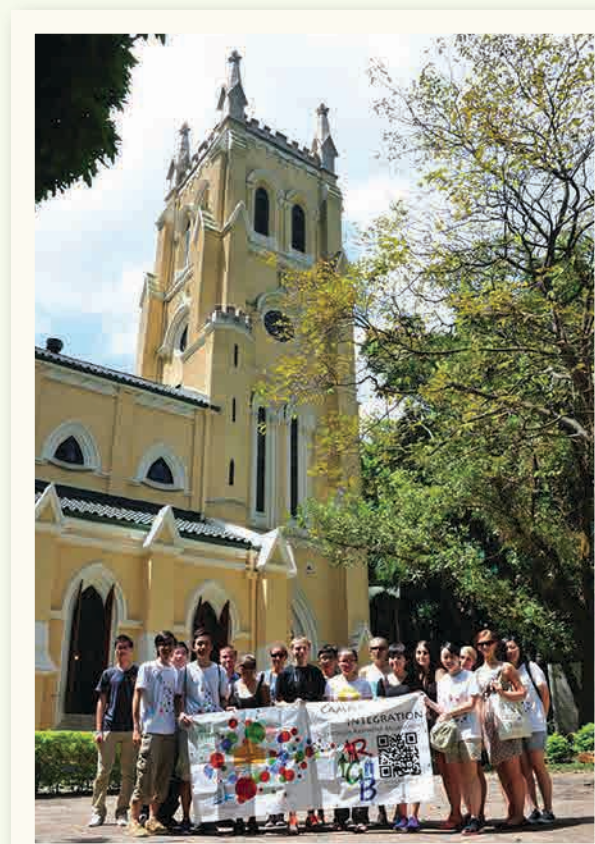
- 2002 • The Review Group, led by Lord Sutherland, a senior committee member and former Principal and Vice-Chancellor of the University of Edinburgh, UK, released its “Higher Education in Hong Kong” report (also known as the Sutherland Report) following public consultation.

Most recommendations were accepted by the Government, including the call to encourage role differentiation and diversity in the sector, promote performance and collaboration among the institutions, and provide assured articulation opportunities for students with sub-degree or other qualifications.

- 2003 • Following the 2002 “Higher Education in Hong Kong” report, the UGC initiated a review of the role statements of the eight institutions.
- The Government established the Matching Grant Scheme with a sum of HK\$1 billion on a dollar-to-dollar basis. In its 2002 “Higher Education in Hong Kong” report, the UGC had recommended that funding sources for higher education be diversified by strengthening the fund-raising capabilities of institutions.

“ We have seen the transformation of the research scene in Hong Kong from being secondary activity in academia to being internationally leading centres of knowledge ”

Professor Edward YEUNG Sze-shing
RGC member (July 2014 - Now)



Cultural exchanges are part of campus life in Hong Kong

“ The central issue is always that, in international terms, Hong Kong is a relatively small system with finite resources. How to enable the obvious talent and ambition in these universities to operate successfully on the international stage? ”

Sir Colin LUCAS, BBS
Former UGC member (April 2003 – March 2014)
Former QAC Chairman (January 2012 – March 2014)



A foreign student shares a laugh with local students

- 2004 • The UGC provided input to the Government during the consultation over the proposed “3+3+4” academic structure that involved extending undergraduate programmes from three to four years. The UGC also discussed interface issues with institutions and facilitated an exchange of views between the Government and the sector.

- “Hong Kong Higher Education – To Make a Difference, To Move with the Times”, a follow-on roadmap document for the 2002 “Higher Education in Hong Kong” report, was released. The report set out the UGC’s thinking on the strategic approach needed for Hong Kong’s higher education system: the development of an interlocking but differentiated system, where the whole higher education sector would be viewed as one force in the regional and international arenas of higher education. Each institution should fulfil a unique role based on its strengths, with the ultimate aim to make Hong Kong “the education hub of the region”.

- A Restructuring and Collaboration Fund was set up to provide assistance to institutions to support restructuring and collaborative initiatives aimed at achieving greater value and quality for money in the use of the UGC resources.

- 2005 • The Matching Grant Scheme for Internationalisation was introduced to support the UGC-funded institutions in building up institutional capacity in internationalisation. The matching grant on a dollar-to-dollar basis was provided to institutions for recruitment of new staff to pursue internationalisation, promotional activities, provision of support services for non-local students, and similar initiatives.



*Dr Alice LAM LEE Kiu-yue,
GBS, JP*

*Former UGC Chairman
(February 1999 – March 2007)*

My long years of work for the UGC can be described as both exciting and stressful. Around the time of the millennium, the developed world was bracing for financial challenges and economic instability. Hong Kong was not spared; by 2003, the UGC-funded institutions were struck by the prospect of a ten per cent cut in government funding.

It was also an exciting time because of changing social and economic landscapes. The secondary education sector had expanded in previous years, producing a larger number of young people who aspired to further education.

As the UGC Chairman, my role was not to control things but to make directives with the goal of striking the right balance at all times.

We felt it was necessary to prepare for a new stage of development in the sector when we launched a higher education review in 2001, led by a very senior UGC member, Lord Sutherland, the then Principal and Vice-Chancellor of the University of Edinburgh. He led a steering committee composed of academics from all the eight UGC-funded institutions, and leading professionals from outside the sector.

The report issued the following year gave a very good grounding for the work and strategies of the UGC. It has remained useful even to this day.

The funding cut in 2003 stressed the institutions greatly as well as the committee. There was a lot of unhappiness. No doubt about that. But fortunately, in a breakthrough a few months later, the Government announced the Matching Grant Scheme, a great step for

Moving Ahead through Matching Grants

not just the territory. Even today, other institutions in the region are interested in finding out how it worked.

In the beginning, the new measure hardly brought comfort to the institutions, for whom the idea of soliciting donations was akin to something alien. Little did anyone know that the scheme would prove to be highly successful in creating a culture of philanthropy here.

The Government had announced the plan to cut HK\$1.1 billion from the central funding for institutions, prior to its pledge to match dollars raised by the institutions on a dollar-for-dollar basis under the HK\$1 billion scheme. Eventually, things squared up beautifully. Institutions managed to raise more than HK\$1 billion in total, making them eligible for sizeable additional support from the Government. In 2004, it seemed as if the funding cut had not happened at all. Much of the credit for the initial idea must go to the then Secretary for Education and Manpower Professor Arthur Li.

In that same year, we produced a roadmap document as a follow-up to the 2002 review, setting out ways to implement the proposals in the Sutherland Report. A priority was to have clear differentiations of roles among the institutions so they could further develop their strengths. We asked institutions to provide us with their role statements. This was also prompted by the idea that institutions should move with the times.

Another important task for us was the promotion of internationalisation. Mainland students' interest in studying in Hong Kong was beyond doubt. A rising number of them had already arrived on local campuses. But we wanted to see more non-local faces. Reaching out to students in places from

Europe, Australia and other parts of the world was a huge move for institutions back then. So we launched a HK\$5 million grant to help them set up internationalisation offices; later we offered additional support enabling local students to go abroad on exchange. Internationalisation is a two-way business. Local students wanted to know what was happening outside Hong Kong, not just in China but around the world.

International students, on the other hand, as well as those from the mainland, had a positive impact on campus culture. Faculty might not have anticipated it, but their lecture, teaching approach and thinking could be different with non-local students around.

We also approached all the consulates in Hong Kong through dinners and other functions to impress upon them our internationalisation drive.

Students' learning experience is always key to higher education. Another item on our agenda was the setting up of a quality assurance body that would ensure institutions attach importance to teaching and learning.

A special task force was set up to communicate our ideas to each institution, and to find out about their plans for fostering students' learning. The Quality Assurance Council was finally established in 2007. I had to find people with a passion for higher education to sit on it. Today, it is still carrying out audits on institutions' offers.

That is the arm – if you want Hong Kong to be the education hub of the region, if you want Hong Kong institutions to be on a par with their internationally-recognised counterparts.

2006-2015

- 2007 • The UGC set up a semi-autonomous Quality Assurance Council (QAC) under its aegis to assist the committee in assuring the quality of programmes (however funded), at first degree and above, offered by UGC-funded institutions.
- The UGC set up the “3+3+4” Group to render support to institutions preparing for the launch of the four-year undergraduate curriculum in 2012.
- 2008 • The QAC conducted the first round of quality audits on UGC-funded institutions from 2008 to 2011.
- 2009 • The UGC introduced a new stream of recurrent funding for institutions for strengthening and broadening their capacity and endeavours in “knowledge transfer”. Academics and researchers were encouraged to forge closer ties and share knowledge with the wider community.
- The RGC launched the Hong Kong PhD Fellowship Scheme to attract the best and brightest students around the world to pursue doctoral study at local institutions.
- The Research Endowment Fund was established, with the Government’s injection of HK\$18 billion to provide a steady flow of research funding for the UGC-funded institutions through the RGC.
- The UGC embarked on another major review of higher education, following the “Higher Education in Hong Kong” Report published by the UGC in 2002. The Higher Education Review Group led by a senior UGC member Sir Colin Lucas, former Vice-Chancellor of Oxford University, consulted widely in Hong Kong.

“ The QAC adopted a "light touch" audit approach, but before we started on our first audit exercise, it was jokingly suggested by the media that all the Presidents were good friends of mine – until after the audit! ”

Mr Philip CHEN Nan Lok
Former UGC member (April 2004 - January 2012)
Former QAC Chairman (April 2008 - January 2012)



Reaching out - a symposium on knowledge transfer in 2007

- 2010 • The UGC submitted the report entitled “Aspirations for the Higher Education System in Hong Kong” to the Government. The report aimed to assess the then post-secondary education landscape and the UGC-funded sector within it, and to identify new issues and arrive at recommendations that could help the system progress and meet new challenges. Key recommendations were made in the areas of improvement to the system-level structure, ensuring excellent teaching, research and community engagement, and enhancing internationalisation and collaboration with Mainland China.
- The UGC provided further funding to the funded institutions on a matching basis to enhance local students’ exchange opportunities.
- 2011 • The annual UGC Teaching Award was inaugurated to honour academics in UGC-funded institutions for their outstanding teaching performance and achievements, as well as their leadership in and scholarly contribution to teaching and learning within and across institutions.
- 2012 • Since the decision to implement the new “3+3+4” academic structure, the UGC had worked closely with institutions to ensure that the new curriculum under the four-year undergraduate programme not only provide an additional year of education, but a more broad-based and student-centred learning experience. To cater for the additional students, the UGC together with institutions took forward 11 capital works projects at total project estimates of over HK\$5.8 billion.



Forum on the Higher Education Review 2010

“ The UGC has made the new four-year academic structure happen in the Hong Kong higher education sector, which has marked as one of the UGC’s many significant milestones in its history. ”

Professor Benjamin W WAH
UGC member (January 2013 – Now)
RGC Chairman (January 2013 – Now)

Building Transparency and Greater Public Understanding

In March 2009, the Legislative Council (LegCo) held a Motion Debate on “Comprehensively Reviewing the Role and Functions of the University Grants Committee”. The Motion, with amendments, was passed after more than three hours of attack and severe criticism of the UGC. A few LegCo members even called for the abolition of the UGC. Strangely, no one from LegCo had asked for the UGC’s view prior to the Debate nor was any fact argued at the Debate verified beforehand for accuracy.

Needless to say, many of us at the UGC were disheartened by the public’s view of our work. The LegCo Motion Debate was the most notable of the negative public reaction and media coverage that we routinely received at the time. There was an obvious gap between what LegCo members portrayed as the outdated role of the UGC and the “unreasonableness” of its work, and what the UGC actually did. To some extent, it was inevitable that an agency which exercised discretion in allocating limited public funds to a large number of interested parties, would draw criticism, both from those who thought they should get more and from those who did not get any. Invariably, there was a feeling of “unfairness” of the methodology of the funding.

The UGC, and its predecessor the University and Polytechnic Grants Committee, had been operating for 42 years by the time I became chairman in April 2007. It had been well served by many distinguished and dedicated chairmen, and supported by many local and overseas members. All brought with them selfless public service, as well

as a commitment to improve the quality of higher education in Hong Kong through the wise allocation of public funds. While the vision and mission of the UGC had stayed more or less the same since its inception, the time and political environment in Hong Kong under which it operated had evolved substantially. By 2007, the UGC faced unprecedented demand by the public (via LegCo) for transparency and stakeholder engagement.

When I took over as the UGC Chairman in 2007, I sought to improve our public image by fostering a more open approach with our stakeholders. I saw a clear need to bridge the gap of what the UGC did and what the public perception of what it did. With this in mind, I increased the frequency of our members’ visits to the eight institutions, not only to meet their senior management, but also to talk to the teaching staff and the students. We held open sessions annually with each of these groups of stakeholders to explain our positions and answer their queries. This was in addition to the annual meeting of the UGC members with student representatives.

I also initiated the practice of holding a press conference within a week of each UGC meeting to brief the media about the key issues discussed at the recently held meeting. Annual lunch gatherings with editors of the education pages of the local media were arranged to provide background information on current and upcoming issues, and to hear their views on topics of general concern in the higher education sector. To demonstrate transparency and accountability, I also launched the publication of an annual report for the UGC. And last but

The Honourable Mrs Laura CHA SHIH May-lung, GBS, JP

*Former UGC Chairman
(April 2007 – September 2011)*

not least, I volunteered to present our work to the Education Panel of LegCo on an annual basis.

Early in my tenure as chairman, I was fortunate to be able to convince the Hong Kong Special Administrative Region Government in March 2008, at a time of huge budget surplus, to give the UGC a sum of HK\$18 billion to set up a Research Endowment Fund. Steady income from the endowment fund would provide certainty of research funding for our institutions instead of being dependent on the financial situation of the Government Treasury on a tri-annual basis. I am also pleased that through the dedication and hard work of all members, we completed a thorough review of the higher education sector in Hong Kong. The report entitled “Aspirations for the Higher Education System in Hong Kong” was published in December 2010.

Yet I believe the efforts to improve communication with our stakeholders has also produced tangible results for the UGC, in that the public now has a better understanding of the work of the UGC. Despite the inevitable complaints about the UGC from time to time, by and large there have been fewer negative comments on the UGC nowadays.

I am honoured and proud to have been associated with the UGC. I am privileged to have served with many outstanding academics, both local and overseas, as well as community leaders, who together have made the UGC the respectable institution that it is today.



- 2013
- The UGC instituted tripartite funding schemes (involving the Education Bureau, the committee and the eight UGC-funded institutions) in support of new initiatives in internationalisation as well as initiatives that could help meet the learning needs of students and enhance students' learning experience.
 - The Financial Affairs Working Group (FAWG), set up in 2011 under the UGC, completed its review on the institutions' finances, with a view to ensuring that the institutions were financially sound and that there was no use of UGC funds for non-UGC funded activities. The FAWG made recommendations to improve cost-allocation practices and financial transparency in institutions.

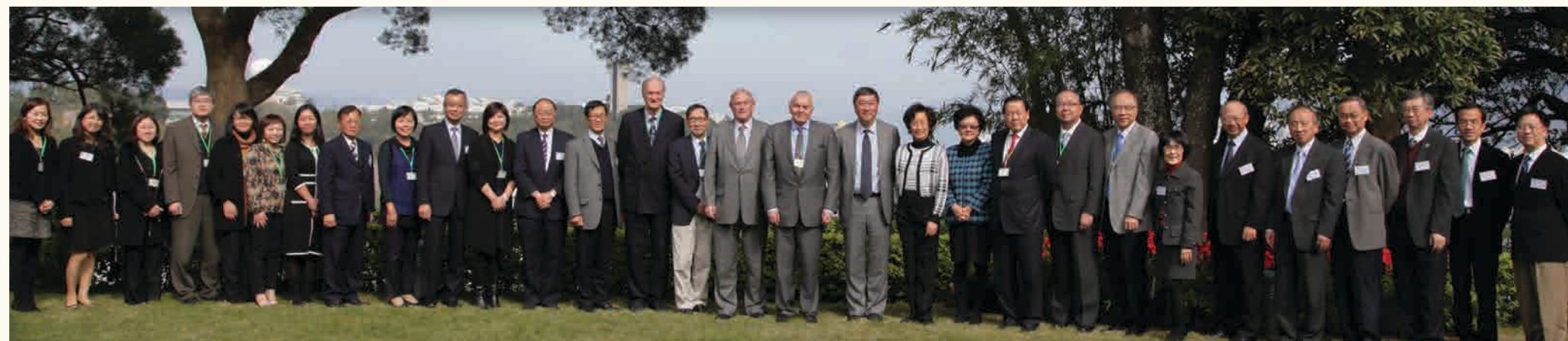


UGC members and senior management of institutions at a retreat



Hong Kong Pavilion at an overseas educational exhibition

- 2014
- The UGC embarked on a series of discussion forums to engage the Heads and senior management of institutions on important issues pertaining to the sector's development and to help the sector in formulating strategies to address future threats and opportunities. Matters discussed included research, teaching and learning as well as funding.
 - The UGC implemented the fifth RAE, using international benchmarks and sharpened measures. 13 assessment panels were set up by broad disciplines to conduct the assessment, involving over 300 distinguished scholars. 70 per cent were non-local scholars from Australia, Austria, Canada, Mainland China, Israel, Italy, Japan, New Zealand, Singapore, Spain, Switzerland, Taiwan, the United Kingdom and the United States. 12 per cent of the research submissions made by the eight UGC-funded institutions for the RAE 2014 were assessed by international experts as being of "world leading" standard, while 34 per cent attained "international excellence", with the remaining being of "international standing" or "regional standing".



UGC members' visit to CUHK in 2012

“ Back during the UGC's early years, two per cent of students could go on to higher education locally. 70 per cent, almost a quarter directly supported by the UGC, will be admitted this September to post-secondary education. ”

Professor Gabriel M LEUNG, GBS, JP
UGC member (January 2014 – Now)