

Executive Summary

1. The aim of this review is to examine the post-secondary sector in Hong Kong with a view to offering recommendations on appropriate strategies for the future development of the sector which has seen considerable expansion over the past few years. The expansion experienced by the sector is encouraging, brought on as a result of Government's initiative to meet changes in socio-economic needs and community aspirations. However, the expansion over a period of time has also resulted in a fragmented and complex post-secondary education system with a degree of incoherence and duplication. While diversity is a positive attribute, fragmentation is not.

2. The UGC is convinced that Hong Kong needs a more integrated post-secondary education system that can provide clear progression pathways for students, and at the same time, ensure coherence and consistency in policies and the best use of resources. Given the very large amount of public and private resources devoted to the sector, it is necessary for us to assess whether the present post-secondary system is fit for its purpose and capable of producing contributing and responsible individuals as future active participants in our evolving society. We also wish to emphasise the ways in which this system could strengthen Hong Kong's ability to maintain its role in the globalised world and make its own specific contribution to the development of Mainland China.

The Post-Secondary Education Sector

3. We observe that the post-secondary education system is in good health, as evidenced by, amongst other things, reference to what is happening in other relevant post-secondary systems and the high rankings achieved by a number of Hong Kong universities in international league tables. The recommendations of the Higher Education Review 2002, which aimed to improve the competitiveness of the university sector, have been largely implemented. These developments, coupled with the initiatives of the Government and individual institutions, have contributed to the growth of the entire post-secondary education sector. However, the expansion, as is common in a high growth sector, is not without any shortcomings as mentioned earlier. To address the situation, it is essential that Government policy should

treat the whole of post-secondary educational provision as a single system for strategic and policy purposes (Recommendation 1).

The Need for an Integrated Sector

4. Bringing together all of these elements in the post-secondary education system cannot be achieved without one body taking on overarching supervision. This role can only be taken up by the Government, in the form of the Education Bureau. The Education Bureau should seek to remove regulatory gaps and overlaps, and to enhance transparency and clarity about the distributed functions and differentiated roles of the system, including the place of Associate Degrees in the system (Recommendations 3 and 4). An integrated post-secondary system will facilitate the progression of students, including those who may choose to return to education at different times (Recommendation 5). This progression framework should include a robust Credit Accumulation and Transfer System (Recommendation 6) and a doubling of the number of publicly funded senior year places in UGC-funded institutions to allow for a fluid and equitable flow of opportunity between the self-financed and publicly funded sectors.

5. The task of the Education Bureau will no doubt be considerable. It will demand the provision of appropriate and sufficient resources, and the support of a coordinating committee representing all of the oversight bodies in the post-secondary sector (Recommendations 39 and 40). While the Education Bureau can be supported by the current oversight bodies dealing with the publicly funded sector, such as the UGC and VTC, there is no similar oversight body for the self-financed sector. The UGC believes an oversight body for the non-publicly funded part of the post-secondary education system is necessary to ensure the proper and effective allocation of public resources devoted to that sector. This new oversight body should also ensure that the education offerings of these self-funded providers are capable of meeting the needs of the community in terms of the types and value of the programmes offered, *etc.* (Recommendation 2).

Quality Assurance

6. Our argument for a single oversight body also extends to the quality assurance bodies (Recommendation 35). Despite Hong Kong's small size,

there are three different bodies responsible for the quality assurance/accreditation of different post-secondary education providers. The UGC sees the need for a single quality assurance body that is capable of integrating and rationalising the approaches of quality assurance across the entire system (Recommendation 36). That body should be transparent and independent in its operation so that the public's understanding about, and confidence in, the implications of its reviews can be ensured (Recommendation 38).

7. One of the important outcomes of an integrated oversight body and a unified quality body should be the successful implementation of a sector-wide Credit Accumulation and Transfer System that provides a common currency for students' vertical progression (Recommendation 37). Experience elsewhere suggests that the success of such a system will be enhanced if the quality of the programmes offered by the sending and receiving institutions is all assured by the same body.

Life-long Learning

8. This report is focused mostly on full-time education opportunities for school leavers. However, students may return to education at different times and in different forms (such as part-time courses). Lifelong learning is not a straightforward matter and involves different planning parameters, and hence its provision and distribution deserve a comprehensive review by the Government (Recommendation 8).

Issues Specific to the UGC-funded Sector

Internationalisation and Cooperation with Mainland China

9. The UGC sector receives a significant amount of public funds and admits some of the best students in the post-secondary education system. It is thus imperative for the sector to set the standard for the entire system and to be the leader in driving excellence for the benefit of Hong Kong. Recognising that Hong Kong's international character is fundamental to its future success, and its unique characteristic of having both Chinese and Western elements, we firmly believe that the higher education system should help Hong Kong retain its uniqueness as an international city that is in harmony with the Mainland system.

The future of Hong Kong's higher education sector lies in its ability to stay relevant in the process of internationalisation and the rapid development of Mainland China. With these considerations in mind, this report offers a number of practical recommendations for both the Government and UGC-funded institutions on the issue of internationalisation, which we believe should become one of the central themes of all UGC-funded institutions. We wish to emphasise that a focus on internationalisation does not mean that our institutions should neglect or lose sight of the significance of our traditional values and local needs. In fact, our recommendations will further enhance the uniqueness and attractiveness of Hong Kong's position.

10. At the institutional level, there is an urgent need for implementing a full gamut of both internationalisation strategies and strategies for collaborating with the Mainland, more particularly in the Pearl River Delta due to its proximity and close ties with Hong Kong (Recommendations 9 and 19). Specifically, institutions should ensure the international mix of their faculty (Recommendation 17) and students (Recommendation 12), and help non-local students to integrate with local students (Recommendation 14). Equally, institutions should help local students embrace internationalisation efforts by enhancing their biliterate (Chinese and English) and trilingual (Cantonese, Putonghua and English) abilities (Recommendation 16) and by providing them with more high quality exchange opportunities (Recommendation 15). In terms of academic development, institutions should capitalise on Hong Kong's unique position and strive to develop research and graduate programmes uniting Asian and Western perspectives (Recommendation 18).

11. At the system level, the Government should work closely with the institutions (Recommendation 10), provide funding for internationalisation initiatives (Recommendation 11), and, most urgently, provide more hostel places for local and non-local students (Recommendation 13). In terms of cooperation with the Mainland, it is important for the Government to lead negotiations at the policy level on possible collaboration initiatives, in particular the issue of research funding portability (Recommendation 20).

Funding

12. Each institution has the potential to develop into an internationally competitive institution in the areas of its unique strengths. However, resources

are finite and have to be used effectively and wisely to achieve intended outcomes. The funding regime should thus reinforce role differentiation (Recommendations 27 and 28), and be based upon the demonstrable quality of outputs and outcomes (Recommendation 29). It should also be wholly or mostly free from the impact of government's manpower planning, that may affect institutions' strategic planning and conflict with the dynamism of the providers in the entire system (Recommendation 7).

13. To ensure proper use of taxpayers' money, we urge the institutions to increase the transparency of the financial arrangements between their publicly-funded and self-financed operations (Recommendation 33), and in the case of community colleges, completely to separate such operations from the parent institutions (Recommendation 34).

Teaching and Learning

14. We strongly feel the need for institutions to focus once again on the quality of teaching and learning, which should be properly assessed and rewarded on the basis of objective assessment tools and data (Recommendations 21 and 30). The quality of education is no less important than research output, and institutions should promote sector-wide collaboration on teaching and learning issues, improve faculty development and strengthen the teaching-research nexus (Recommendations 22 and 23).

Research

15. The UGC sector has an impressive performance record in research, despite its relatively short history and Hong Kong's general under-investment in research. However, as global competition increases, the Government should take the initiative to enhance the local research capability by developing a research and development policy that seeks to maintain Hong Kong's competitiveness (Recommendation 24). As each institution in the UGC sector has an established research capacity and identified areas of excellence, we believe that the sector is ready to move to a more competitive funding regime (Recommendation 25). This will involve a critical review of how the Block Grant for research is allocated through a review of the Research Assessment Exercise (Recommendation 31), and the competitive allocation of research postgraduate places should be underpinned by a credible system to assess the

quality of graduates (Recommendation 32).

16. In contemplating the mechanism for allocating research funding, we are keenly aware of the possibility of private universities participating in publicly funded research activities, an issue that deserves periodic review (Recommendation 26).

Conclusion

17. This review, together with its recommendations, is the result of the UGC's critical reflection on all issues relating to the post-secondary education system, including the fundamental issue of the purposes of post-secondary education, the existing landscape and the future challenges faced by the sector. We have also taken into account the expectations of the academic community and the general public as assessed through written submissions, discussions with stakeholders and open consultation fora. We hope this report will be seriously considered and debated by all readers, including the Government, the institutions and members of the public who all have a role to play in contributing to the development of a healthy, vibrant and internationally competitive post-secondary education sector in Hong Kong.

18. Subject to the Government's adoption of our recommendations, the UGC will closely monitor the implementation of those recommendations under its remit. Another sector-wide review should be conducted in six to seven years' time.