

Legislative Council Panel on Education

**Information Relating to the Provision of
Post-secondary Education Opportunities and Articulation and Employment
Opportunities for Sub-degree Graduates**

Introduction

This paper provides information on the requests of Members raised at the meetings held on 20 October 2005, 11 December 2006 and 9 July 2007, during which various issues pertaining to the development of the post-secondary education sector were discussed.

(a) Provision of post-secondary education opportunities and resources allocation

2. Hong Kong is developing into a knowledge-based economy. To improve the competitiveness of our workforce and upgrade the quality of our manpower, the Administration announced in 2000 a policy objective that 60% of our senior secondary school leavers would receive tertiary education by the 2010/11 academic year.

3. In support of the 2000 policy objective, the Administration had introduced various support measures to promote the development of a self-financing post-secondary sector in Hong Kong. These include a Land Grant Scheme to grant land at nominal premium for building new campuses, a \$5 billion Start-up Loan Scheme (SLS) to provide interest-free loans for purchasing, renting or building campuses, a \$30 million Accreditation Grant Scheme to subsidise accreditation expenses and a Financial Assistance Scheme for Post-secondary Students (FASP) to provide financial assistance to needy students.

4. Following Members' discussions of the findings and recommendations of the Phase 2 review of the post-secondary education sector at the Panel meeting on 14 April 2008, we made a submission to the Finance Committee of the Legislative Council on 23 May 2008 to seek provision of funds to implement the recommendations of the review (details are set out in FCR (2008/09)17). The submission covered the following funding proposals –

- (a) improvement of the FASP by –
 - (i) providing means-tested loans to full-time post-secondary students pursuing locally-accredited self-financing programmes to cover their living expenses; and
 - (ii) extending the FASP to cover sub-degree graduates pursuing full-time locally-accredited self-financing degree or top-up degree programmes;
- (b) modification of SLS by –
 - (i) offering loans to course providers of full-time locally-accredited self-financing post-secondary programmes for enhancing teaching and other ancillary facilities to improve students’ learning experience; and
 - (ii) extending the loan repayment period under the SLS from no more than ten years to no more than 20 years for existing borrowing institutions with proven financial difficulties, subject to the payment of interest at the no-gain-no-loss rate after the first ten years; and
- (c) implementation of a new Quality Enhancement Grant Scheme to support quality enhancement initiatives in the self-financing post-secondary sector.

The funding proposals were approved by the Finance Committee.

5. We are making preparations to implement the above funding proposals in the 2008/09 academic year. Relevant statistics pertaining to the supply and actual intake of post-secondary education opportunities are at Annex A.

(b) Participation rate of university education in overseas places

6. Different places adopt different methodologies when calculating the participation rate in respect of tertiary education. Furthermore, different places may adopt different terminologies when referring to the same concept or have different definitions of the term “participation rate”. There is no single world-wide standard.

7. Definitional and methodological issues aside, objective comparison of different participation rate is statistically challenging. Factors such as differences in economic conditions, education system, historical background, demographic structure, culture, manpower requirements and developmental needs should be taken into account. Conclusions made solely on the basis of comparing the tertiary education participation rates in different places will thus fail to provide a fair picture.

8. According to information published by the Ministry of Education of Singapore, the university cohort participation rate¹ of the relevant age cohort admitted to the three publicly-funded universities in Singapore in 2007 is about 23.5%. Separately, according to information published by the Organization for Economic Cooperation and Development (OECD), the net entry rates² of Australia, the United Kingdom, the United States, Japan and South Korea in 2005 were 82%, 51%, 64%, 41% and 51% respectively.

(c) Number of sub-degree holders recruited by the Government in 2005 by institution

9. Based on the information provided by government bureaux/departments, the Government recruited a total of 1 206 sub-degree holders in 2005. A breakdown of the number of sub-degree holders by institution is at Annex B.

(d) Articulation places for sub-degree holders

10. The Administration will provide about \$540 million per year to the institutions funded by the University Grants Committee (UGC) for 3 854 publicly-funded senior year places³.

**Education Bureau
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¹ The university cohort participation rate refers to the percentage of Singaporean and permanent resident students per primary one cohort who are admitted to university each year.

² The net entry rate represents the proportion of people of a synthetic age-cohort who enter the tertiary level of education, irrespective of changes in the population size and differences between OECD countries in the typical starting age of tertiary education.

³ With full effect from 2009/10 academic year onwards, including 1 927 Year 2 places and 1 927 Year 3 places.

Annex A

Provision of Post-secondary Education Opportunities

Supply of full-time post-secondary places at intake level in the 2000/01 to 2006/07 academic years

	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07
Bachelor's Degree							
Publicly-funded [^]	14601	14582	14590	14586	14584	14600	14600
Self-financing	0	245	490	958	1922	2550	2465
<i>Sub-total</i>	<i>14601</i>	<i>14827</i>	<i>15080</i>	<i>15544</i>	<i>16506</i>	<i>17150</i>	<i>17065</i>
Sub-degree							
Publicly-funded [^]	6929	7208	8511	9527	9391	8850	7683
Self-financing	2468	5951	7752	10032	16362	23334	24085
<i>Sub-total</i>	<i>9397</i>	<i>13159</i>	<i>16263</i>	<i>19559</i>	<i>25753</i>	<i>32184</i>	<i>31768</i>
Total	23998	27986	31343	35103	42259	49334	48833

Actual intakes to full-time post-secondary programmes in the 2000/01 to 2006/07 academic years

	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07
Bachelor's Degree							
Publicly-funded [^]	14537	14665	14936	14754	14828	15173	15584
Self-financing	N/A	285	605	1030	1353	1527	2033
<i>Sub-total</i>	<i>14537</i>	<i>14950</i>	<i>15541</i>	<i>15784</i>	<i>16181</i>	<i>16700</i>	<i>17617</i>
Sub-degree							
Publicly-funded [^]	6846	7634	9623	10788	9813	9301	8448
Self-financing	2621	5546	6832	8317	17077	19806	19673
<i>Sub-total</i>	<i>9467</i>	<i>13180</i>	<i>16455</i>	<i>19105</i>	<i>26890</i>	<i>29107</i>	<i>28121</i>
Total	24004	28130	31996	34889	43071	45807	45738
as % of provision	100%	101%	102%	99%	102%	93%	94%

[^] Including eight UGC-funded institutions and the Hong Kong Academy for Performing Arts

Annex B**Number of Sub-degree Graduates
Employed by the Government in 2005**

Institution*	Number of Sub-degree Graduates
City University of Hong Kong	252
Hong Kong Baptist University	30
Hong Kong College of Technology	11
Hong Kong Shue Yan University (Formerly known as Hong Kong Shue Yan College)	19
Lingnan University	16
The Chinese University of Hong Kong	11
The Hong Kong Polytechnic University	200
The University of Hong Kong	48
Vocational Training Council	474
Others	145
Total	1 206

* including institution proper and extension arm