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Panel on Education

Meeting on 5 March 2021

**Background brief on the
Post Secondary Colleges Ordinance (Cap. 320)**

Purpose

This paper summarizes the major views of members of the Panel on Education ("the Panel") on issues related to the Post Secondary Colleges Ordinance (Cap. 320).

Background

2. Cap. 320 and its subsidiary legislation, the Post Secondary College Regulations (Cap. 320A), were first enacted in 1960 to govern the registration and regulation of post secondary colleges and their consequential exemptions from the provisions of the Education Ordinance (Cap. 279). At present, there are 11 institutions registered under Cap. 320.¹

3. The Task Force on Review of Self-financing Post-secondary Education ("the Task Force"), which was set up in October 2017 to look into issues pertinent to the development of the self-financing post-secondary education sector, considered that the current regulatory framework under Cap. 320 was outdated and inadequate as a regulatory framework necessary to facilitate the operation and development of a modern post-secondary institution of the 21st century. In its review report published in December 2018², the Task Force recommended that Cap. 320 be comprehensively reviewed and updated.

¹ The 11 institutions include The Hong Kong Shue Yan University, Caritas Institute of Higher Education, Chu Hai College of Higher Education, The Hang Seng University of Hong Kong, Tung Wah College, Centennial College, HKCT Institute of Higher Education, Hong Kong Nang Yan College of Higher Education, Gratia Christian College, Yew Chung College of Early Childhood Education and UOW College Hong Kong.

² The review report is at: https://www.cspe.edu.hk/resources/pdf/en/TF%20review%20report_EN.pdf.

Major views and concerns

4. At its meetings on 13 July 2018 and 1 March 2019, the Panel was briefed on the findings and recommendations of the Task Force. Members' major views and concerns on the issues related to the review of Cap. 320 are summarized in the ensuing paragraphs.

Regulatory and quality assurance framework

5. Members raised no objection to the Task Force's recommendations of updating the current regulatory framework under Cap. 320 and providing a unified regulatory regime for the entire self-financing post-secondary education sector. Some members suggested that the reformed regulatory regime should comprise representatives of teachers, alumni and students so as to provide a platform to facilitate communication between the Education Bureau ("EDB") and the self-financing institutions. A motion was passed at the meeting on 1 March 2019, urging the Administration to include provisions in Cap. 320 to the effect that students, teachers, alumni and other stakeholders could participate in the governance of institutions to ensure students could take part in the decision making of institution policies. The Administration advised that EDB would communicate with relevant stakeholders to explore measures in enhancing institutional governance of the sector and take into account the views collected during the review of Cap. 320.

6. Members noted that the migration of all self-financing activities at sub-degree and undergraduate (including top-up degree) levels of the University Grants Committee ("UGC")-funded universities to the new system under Cap. 320 would mean a full detachment of such activities from the university proper. Some members were worried that quality of teaching would be affected if the self-financing subsidiaries/community colleges of UGC-funded universities were to detach from the resource-rich university proper. According to the Administration, UGC-funded institutions were currently required to keep separate financial accounts for the publicly-funded and self-financing operations. Hence, the existing facilities and resources of the self-financing subsidiaries/community colleges of UGC-funded universities should not be affected after the migration. Nevertheless, the Task Force would manage the migration process with care, taking into account any possible impact on students and teachers.

7. Some members asked how the unified regulatory framework established under Cap. 320 could ensure the parallel development of the publicly-funded and self-financing post-secondary education sectors, so that both the self-financing privately-run institutions and the self-financing subsidiaries/community colleges of UGC-funded universities would be benefitted. The Administration advised that the application of the updated Cap. 320 to all institutions would open up new

opportunities for institutions with good potential to become private universities. Moreover, those operators whose development and institutional capabilities fell short of their original plan after a reasonable trial period might be de-registered. As such, the quality of both the privately-run institutions and the self-financing subsidiaries/community colleges of UGC-funded universities would be enhanced under the updated regulatory regime.

8. Some members were worried about the possible disputes on the establishment of the aforesaid de-registration mechanism without definite assessment criteria and length of trial period. They also enquired whether there would be any support arrangements for students whose institutions were de-registered. The Administration advised that the Task Force saw a need for a de-registration mechanism to be established as part of an intact quality assurance framework. However, in practice any decision on de-registration should not be made lightly and should take into account the impact on students. Details of the de-registration mechanism would be formulated in due course, bearing in mind the interests of the students concerned.

Support measures for self-financing post-secondary education

9. Some members held the view that the self-financing institutions could hardly compete with publicly-funded institutions in terms of hardware and software because of the limited resources available to them. There was a suggestion that the Administration should consider waiving the outstanding loans of self-financing post-secondary education providers under the Start-up Loan Scheme to facilitate the post-secondary institutions in devoting more resources to students, and extending the Subsidy Scheme for Self-financing Undergraduate Studies in the eight UGC-funded universities and sub-degree programmes,

10. The Administration advised that it had no plan to waive the outstanding loans and to extend the current student subsidy schemes to sub-degree students or students of self-financing programmes run by UGC-funded universities or their extension arms at the present stage. Nevertheless, the Administration would, as recommended by the Task Force, consider stepping up financial support for self-financing institutions, such as providing one-off financial support measures to upgrade facilities in future. Meanwhile, the Administration would press ahead with the work to review Cap. 320 and engage UGC-funded universities on the application of the reformed Cap. 320 to their self-financing sub-degree and undergraduate operations with a view to enhancing the overall quality of the self-financing post-secondary education.

Latest position

11. The Administration will brief the Panel on the review of Cap. 320 at the meeting on 5 March 2021.

Relevant papers

12. A list of the relevant papers on the website of the Legislative Council is in the **Appendix**.

Council Business Division 4
Legislative Council Secretariat
3 March 2021

List of relevant papers

Committee	Date of meeting	Paper
Legislative Council	18.10.2017	Official Record of Proceedings Pages 85-88 (Question 12)
Legislative Council	10.1.2018	Official Record of Proceedings Pages 137-156 (Question 22)
Panel on Education	13.7.2018 (Item II)	Agenda Minutes
Panel on Education	1.3.2019 (Item IV)	Agenda Minutes
Legislative Council	18.12.2019	Official Record of Proceedings Pages 144-152 (Question 21)

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