

**Extract from the minutes of special meeting of the
Panel on Education held on 7 May 2002**

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I. Report of the University Grants Committee entitled "Higher Education in Hong Kong"

Members noted that the Lingnan University, Mr YEUNG Wai-sing, a member of the Eastern District Council and Mr Stephen LIU, a member of the Wanchai District Council had made submissions on the Report of the University Grants Committee (UGC) entitled "Higher Education in Hong Kong" which were issued vide LC Paper Nos. CB(2)1820/01-02(01), CB(2)1802/01-02(03) and CB(2)1802/01-02(04) respectively.

2. At the invitation of the Chairman, deputations and individuals gave their views and suggestions on the Report as summarised in paragraphs 3-15 and 29-37.

Session A - Meeting with staff associations, concern organisations and academics

Federation of Hong Kong Higher Education Staff Associations (the Federation)
[LC Paper No. CB(2)1858/01-02(02)]

3. Professor SHUM Kar-ping, Chairman of the Federation, introduced the submission of the Federation. He stressed that the Federation strongly objected to the proposal to delink the terms and conditions of service of the staff of UGC-funded institutions from civil service pay and conditions (the "delinking" proposal). The Federation considered that the "delinking" proposal was only a means of the Government to reduce its financial commitment to higher education. The Federation was also concerned that the "delinking" proposal could nurture a culture of flattery and lower the quality of tertiary education.

Academic Staff Association, the University of Hong Kong (the Association)

4. Dr CHAN Che-wai, Chairman of the Association, said that the Association objected to the "delinking" proposal and had submitted some 5 000 signatures opposing the proposal to the Secretary for Education and Manpower well before the Report was published. He pointed out that the "delinking" proposal was not one of the 12 recommendations in the report and the higher education sector had not been widely consulted. However, it seemed that the Administration was very supportive of the proposal after the Report was published. The Association questioned whether it was already the Administration's position that the terms and conditions of both academic and

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non-academic staff in UGC-funded institutions should be delinked from the civil service pay and conditions. Dr CHAN further pointed out that the Association would also like to know whether UGC and the Government would provide justifications for accepting or not accepting the recommendations of the Report after the consultation exercise. In addition, the Administration should explain the necessary administrative and legislative procedures if the "delinking" proposal was to be implemented. He considered that the Legislative Council (LegCo) should play a monitoring role in such an important policy decision-making process.

Hong Kong Professional Teachers' Union (the Union)
[LC Paper No. CB(2)1836/01-02(03)]

5. Mr NG Shun-wing, Associate Director of Education Research Department of the Union, briefed members on the main points of the Union's submission. He highlighted that the Union strongly objected to the "delinking" proposal. The Union also had reservations about implementing a credit accumulation and transfer system (CATS) in higher education and considered that the Administration should not force UGC-funded institutions to adopt CATS by allocation of funding on the basis of credit units.

Hong Kong Federation of Education Workers (HKFEW)
[LC Paper No. CB(2)1836/01-02(04)]

6. Mr WU Siu-wai, Vice-President of HKFEW, briefed members on the views and suggestion of HKFEW as detailed in its submission. He said that HKFEW stressed that UGC-funded institutions should have discretion to decide when to delink the terms and conditions of their staff from the civil service pay and conditions.

Hong Kong Tertiary Education Action Group (the Action Group)
[LC Paper No. CB(2)1836/01-02(05)]

7. Dr Priscilla LEUNG, Vice Chairman of the Action Group, briefed members on the main points of the Group's submission which advocated the setting up of an independent complaint mechanism to handle complaints about University management, misuse of public funds, non-compliance of lawful procedures, and staff complaints. She stressed that many staff members in UGC-funded institutions had lost their confidence in the management of the institutions and the university council system was not effective in monitoring the operation of the institution. It was therefore necessary to set up the independent complaint mechanism for the higher education sector.

Non-Academic Staff Association, the University of Hong Kong (NSAHKU)
[LC Paper No. CB(2)1802/01-02(01)]

8. Mr Stephen CHAN, President of NSAHKU, briefed members on the submission. He said that NSAHKU objected to the "delinking" proposal.

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Although NSAHKU did not reject the establishment of an external complaint mechanism for the higher education sector, it considered that it was more important for each UGC-funded institution to have an internal mechanism to handle staff grievance and complaints in a fair, open, transparent and efficient manner. HKUNSA also considered that management by committees had its merits and should be retained for certain management functions within the higher education sector.

The Chinese University of Hong Kong Teachers' Association (CUHKTA)

9. Professor CHANG Song-hing, President of CUHKTA, said that firstly, CUHKTA strongly objected to the "delinking" proposal. The Association queried why the "delinking" proposal was put forward before the completion of the review of the civil service pay and conditions. Secondly, CUHKTA was puzzled by the contradictions in the overall reform of the education system. He pointed out that educational ideals and "all-round development" were advocated in the Reform proposals for the education system in Hong Kong put forward by the Education Commission earlier whereas the Report emphasized commercial competition and "market-driven" principles. Thirdly, many reform measures put forward in the Report had already been implemented in tertiary education institutions such as enhanced productivity programmes and flexible student admission system. CUHKTA was concerned that introduction of further major reform measures at this stage would cause confusion. Professor CHANG stressed that due respect should be given to teachers in any reform of the higher education system and creation of any divisiveness within and among institutions should be avoided.

The Chinese University of Hong Kong Staff Association (CUHKSA)

10. Mr Aaron LI Wing-yuen, President of CUHKSA said that CUHKSA was concerned about the effects of differential salaries and rewards for outstanding academics on non-academic staff in UGC-funded institutions. The Association strongly objected to the "delinking" proposal as it would affect staff morale and create unfairness in internal administration matters within institutions.

Hong Kong University of Science and Technology Staff Association (HKUSTSA)

11. Professor Raymond WONG, Chairperson of HKUSTSA said that HKUSTSA supported the policy direction towards achieving international excellence by way of differentiation of missions among institutions. HKUSTSA considered that the Report should address the problems which would be faced by UGC-funded institution, and should cover the financial implications of implementing the recommendations put forward in the Report, in particular the resources required. HKUSTSA also questioned how UGC would assist UGC-funded institutions in implementing the recommendations.

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City University of Hong Kong Staff Association (CityUSA)
[LC Paper No. CB(2)1820/01-02(02)]

12. Mr Nicholas TAM Pui-ho, Chairman of the CityUSA introduced the submission of CityUSA. He highlighted that CityUSA recommended strategic identification of a small number of centre of excellence, instead of institutions, as the focus of public and private sector support with the explicit intention of contributing to the development of the Hong Kong Special Administrative Region. CityUSA considered that UGC and Government should clarify the rationale and justifications for not providing funding support for associate degree and sub-degree programmes. CityUSA also did not see the need to implement the "delinking" proposal and to adopt a market-driven model of governance and management for UGC-funded institutions.

Hong Kong Polytechnic University Staff Association (PolyUSA)
[LC Paper No. CB(2)1836/01-02(01)]

13. Dr CHAN Chun-wah, Chairman of PolyUSA introduced the submission. He said that PolyUSA objected to the "delinking" proposal. PolyUSA suggested that UGC should identify areas of excellence, instead of a small number of institutions, for development of international excellence. PolyUSA also considered that Higher Diploma programmes of PolyU and CityU should be distinguished from associate degree programmes and should continue to be funded by Government.

Dr WONG Hung, a lecturer in the Division of Social Studies of CityU
[LC Paper No. CB(2)1836/01-02(02)]

14. Dr WONG Hung briefed members on the main points of his submission. He stressed that the Administration should give an undertaking to maintain the existing level of funding allocation for the provision of associate degree programmes, including funding support to student financial assistance schemes. He considered that the Government had a social responsibility to ensure that all qualified students should not be deprived of their right to associate degree programme studies for a lack of financial means.

Mr Ivan CHOY Chi-keung, a lecturer in the Division of Social Studies of CityU
[LC Paper No. CB(2)1858/01-02(02)]

15. Mr Ivan CHOY highlighted the main points of his submission. He quoted the experience of the United States as an example, saying that the ratio between the number of public associate degree programme providers and that of private associate degree programme providers was 6.4 to 1. He therefore questioned why UGC and the Administration considered that a majority of associate degree programmes should be self-financing simply because there were already private providers offering these programmes on a self-financing basis. Mr CHOY also highlighted the serious social consequences if associate degree programmes were not predominately subsidised by the Government.

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He further asked whether the Administration would assess the affordability of students to pursue an associate degree programme operating on a self-financing basis.

Discussion

16. Dr YEUNG Sum commented that the recommendations of the Report stressed too much on the principle of market competition and performance-based funding in the pursuit of international excellence. He considered that the recommendations of the Report which were filled with rightist and "small government" ideologies would bring a major setback to the development of higher education in Hong Kong.

17. The Chairman informed members that at members' suggestion, he had made an application for a debate slot and had secured a slot for debate on the Report at the Council meeting on 22 May 2002. He said that the motion debate would give a good opportunity to all Members to express views on the Report.

Delinking from civil services pay and conditions

18. Mr LAU Kwong-wah invited the deputations' views on the implications of the "delinking" proposal on staff motivation and the quality of education in the higher education sector.

19. Mr Stephen CHAN of NASAHKU said that the "delinking" proposal would jeopardize staff morale and stability of the workforce, particularly during a period of economic downturn. Mr CHAN considered that linking the terms and conditions of service of the staff of UGC-funded institutions with civil service pay system had demonstrated a proven record of effectiveness in staff administration and provided flexibility in staff employment matters at the same time. Professor CHANG Song-hing of CUHKTA supplemented that the "delinking" proposal should only be brought up for consideration when the results of the review on civil service pay and conditions were available for public discussion.

20. Mr SZETO Wah queried whether it was the HKFEW's position to support the "delinking" proposal as it indicated in point number six of its submission that it did not agree that institutions should be forced to implement the "delinking" proposal immediately and it should be left to individual institutions to decide. If the "delinking" proposal was to be decided by individual institutions, he also queried whether the decision should be made by the management, the council or the institution including all the staff as a whole.

21. Mr CHEUNG Man-kwong said that the "delinking" proposal had dominated the discussion of the Report and it would not be beneficial to the whole consultation exercise. He suggested that UGC should withdraw the proposal to facilitate an even discussion of the recommendations in the Report.

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22. In response, SG/UGC said that in order for institutions to compete at an international level, they must have a flexible mechanism to enhance institutional competitiveness. Institutions also must have the freedom and flexibility to determine appropriate terms and conditions of service that enabled them to recruit and retain staff of the highest standing. The "delinking" proposal was put forward in such a context. UGC would consider when and how the proposal should be implemented having regard to the views received during the consultation period.

An external appeal mechanism

23. Mr LAU Kwong-wah asked whether the need to establish an external appeal mechanism such as an independent ombudsman for the higher education sector reflected that the existing grievances and appeal mechanism in UGC-funded institutions was inadequate.

24. Dr Priscilla LEUNG of the Action Group responded that the existing appeal and grievance procedures and mechanisms in UGC-funded institutions were far from satisfactory. She cited the recent events of non-renewal of contract in the School of Law of CityU to illustrate the inadequacies of existing appeal mechanism and unfairness in staff management.

25. Mr SZETO Wah noted that HKFEW was very much in support of the suggestion that the remit of the Office of the Ombudsman should be extended to cover the UGC sector. He said that it was doubtful that implementation of the suggestion would increase the degree of democracy and transparency within the UGC-funded institutions. Mr SZETO considered that there must be a better alternative to achieve that purpose.

Funding for associate degree programmes

26. Ms Cyd HO asked whether the quality of graduates of associate degree programmes and taught postgraduate programmes would become lower if the majority of these programmes would be provided on a self-financing basis, since students who were financially capable to pay the high programme fees could pursue similar studies overseas.

27. Mr Ivan CHOY responded that UGC should ascertain whether qualified students could afford to pay the high programme costs before putting forward the recommendation that the majority of associate degree programmes should operate on a self-financing basis. He held the view that these programmes should remain publicly funded from the perspective of social justice as it was the responsibility of the Government to ensure adequate opportunities for further studies. Dr WONG Hung also expressed concern that a great majority of qualified students would have to apply for loans in order to pursue associate degree studies. Ms Cyd HO said that she was told that some university graduates went bankrupt because they were unable to repay loans under student

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financial assistance schemes. In response to her enquiry, SG(UGC) said that he had not heard of such cases.

28. Given the limited resource, Ms Emily LAU asked how many associate and sub-degree degree programme places could be publicly funded. Mr Ivan CHOY responded that he did not have the statistics. However, the Administration should provide relevant statistics to support its stated policy of increasing the percentage of those receiving post-secondary education to 60%. He considered that provision of a majority of associate degree programmes on a self-financing basis represented a change of policy, rather than a stated policy of the Government, as claimed in the Report.

Session B - Meeting with students associations and students

Hong Kong Youth and Tertiary Students Association (HKYTSA)
[LC Paper No. CB(2)1802/01-02(02)]

29. Mr Kevin HAU, External Vice President of HKYTSA briefed members on the submission. He also briefly explained the results of a questionnaire survey covering students in nine tertiary institutions conducted by HKYTSA in April 2002. He highlighted that the majority of respondents considered that CATS would have a negative impact on the provision of social science and humanity studies in universities, and the development of funding based on missions and performance of institutions would eventually rank the universities. The majority of respondents supported the "delinking" proposal, but not the suggestion of operating associate degree programmes on a self-financing basis.

30. Mr SZETO Wah requested representatives of HKYTSA to elaborate on its survey methodology and the purpose of separating respondents into two groups. Mr Kevin HAU of HKYTSA explained that a total of 950 questionnaires (more than 100 questionnaires at each target institution) were distributed at different locations of the nine tertiary institutions and a total of 788 responses were received. The purpose of grouping HKU, CUHK and HKUST as the first group of institutions and the remaining six as another group was to assess how students in these two groups of institutions would react to the recommendations of the Report in respect of differentiation of missions and the development of CATS.

Lingnan University Students' Union (LUSU)

31. Mr LAM Man-kit, Chairman of LUSU, said that LUSU objected to the adoption of CATS in higher education as CATS would have negative impact on the relationship between students and their tutors. LUSU suggested that the consultation period on the Report should be extended to facilitate students' participation in discussion of the recommendations. Mr LAM added that higher education was not a consumer product and university programmes should not be decided purely by a market mechanism. He pointed out that

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there should be a balanced provision of programmes in different areas to facilitate healthy development of community values in the long run.

The Chinese University of Hong Kong Student Union (CUHKSU)

32. Mr CHAU Chun-yam, Vice-President of CUHKSU said that CUHKSU was concerned about the role of UGC and governing bodies of institutions in upholding institutional autonomy and academic freedom. He considered that UGC should not interfere with institutional autonomy by way of steering the future development of higher education. Heads of UGC-funded institutions should consult staff and students as appropriate to preserve academic freedom within institutions. CUHKSU also urged UGC to extend the period of consultation to allow more time for students to discuss the recommendations in the Report.

Hong Kong University of Science and Technology Students' Union (HKUSTSU)

33. Mr Tony CHAN Shun-bun, President of HKUSTSU said that HKUSTSU suggested that the Government should increase the funding allocation for the higher education sector and extend the duration of undergraduate programmes from three to four years as soon as practicable. HKUSTSU also urged UGC to extend the period of consultation to ensure thorough discussion of the recommendations in the Report.

City University of Hong Kong Students' Union (CityUSU)

34. Mr TSANG Ka-yin, Vice-President (External) of CityUSU said that CityUSU did not support performance-based funding for UGC-funded institutions and implementation of CATS in higher education sector. CityUSU considered that a balanced provision of popular and less popular undergraduate programmes was essential for the healthy development of a community. In expanding the higher education sector, CityUSU stressed that the Administration should establish appropriate financial assistance schemes and quality assurance mechanisms. He further said that CityUSU had reservations about the "delinking" proposal and requested that the consultation period on the Report be extended to facilitate thorough discussion.

Hong Kong Federation of Students (HKFS)

35. Miss Jenny NG of HKFS said that the provision of higher education should not be predominately determined by market demand or dictated by the needs of the employers. HKFS considered that pure and applied researches were equally important and should be given equal weight in research studies conducted by UGC-funded institutions. HKFS also urged UGC to extend the period of consultation to October 2002.

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Postgraduate Student Association, the University of Hong Kong(PSAHKU)

36. Miss Anita LEE Chi-kwan, Vice-chairperson of PSAHKU said that in view of the importance of education, the Administration should allocate more resources to higher education sector. In order to foster and retain talents for the future development of the community, programmes fees should not be set at a high level. Otherwise, the less wealthy students would be deprived of the opportunities to pursue higher education and talented students might pursue studies overseas. PSAHKU was also concerned that performance-based funding and CATS would suffocate the growth of disciplines which had relatively less commercial values. UGC should endeavour to ensure a fair distribution of undergraduate programmes in universities for the future development of the community. Lastly, PSAHKU considered that UGC should extend the consultation period to facilitate community participation in the discussion of the Report.

Mr Y K CHONG, a postgraduate student of the Master in Law (Human Rights) of the University of Hong Kong

37. Mr Y K CHONG said that the "opinion poll incident" of Dr CHUNG Ting-Yiu revealed that the existing system did not provide for adequate protection of academic freedom in UGC-funded institutions. He therefore considered that recommendations should be put forward in the Report for the protection of academic freedom, such as employment by tenure and the ratio of internal and lay members in the Council. He added that in light of possible conflict of interest, it was doubtful whether the Chief Executive should be the Chancellor of an institution. Mr CHONG also questioned the rationale for providing funding support to research postgraduate courses but not taught postgraduate courses, saying that such practice was in conflict with the human right principles that everyone should enjoy equal opportunity in education. Lastly, he also considered it necessary to extend the period of consultation to allow a wider community participation in the discussion of the Report.

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Council Business Division 2
Legislative Council Secretariat
20 June 2002