Submission to LegCo Panel on Education from Save the College Action Group, City University of Hong Kong

Summary of Submission

The Save the College Action Group, City University of Hong Kong wishes to lodge a **complaint about City University Management's announced decision** (Attachment 1) on Friday 16 May to phase out the 13 funded associate degree (AD) programmes when government funding is withdrawn. This decision on City University's future provision of AD programmes was made, allegedly due to the substantial Government funding cut and the lack of Government support in the land bid, resulting in the lack of financial viability in converting these programmes on a self-financing basis, as indicated in the President's letter to the Chairman of UGC dated 15 May.

As the extent UGC funding cut City University sub-degree programmes has sustained (13 out of 19 programmes), and the abruptness of the funding withdrawal schedule (from 2004-2007) are the major factors leading to impending demise of benchmark Associate Degree (AD) programmes that Sutherland Report refers to, we feel that there is a need for Legislative Councillors to question and revisit

- the fair use of Government resources in Higher Education (the unfairness of applying the "level playing field" principle to the sub-degree sector only),
- the Government's contradictory policy in pledging to expand AD education as suggested in the Chief Executive's policy speech in 2000, while withdrawing funding from existing benchmark programmes,
- Government's perception of the role and position of quality AD programmes in the sub-degree sector (whether the Government sees any need in maintaining quality benchmark AD programmes as suggested in the Sutherland Report, or the Government is going for quantity at the expense of quality).

On the other hand, City University's handling of the UGC's funding withdrawal has also

- impacted on our Community, jeopardized their interests,
- led to a crisis much bigger than last year's Law School scandal due to the University Management's
 - o breach of procedure,
 - o abuse of power,
 - o mismanagement, and
 - o poor leadership.

Thus the Action Group would also like to invite the Legislative Councillors to look into the issue of City University's governance as a publicly funded institution.

Impact

1. City University's response to UGC's funding cut from its AD programmes will jeopardize our community's interests:

If our 13 AD programmes are closed down and the College effectively dissolved,

1.1 Loss of expertise and quality AD programmes

There will be a significant loss of expertise and experience which has contributed so much to City University's reputation as a benchmark provider of sub-degree education, creating a vacuum that other providers may not be able to fill in the foreseeable future, and depriving future students of the choice of good quality associate degree programmes.

1.2 <u>Irresponsible government policy</u>

Whether the Government has set unattainable goals in converting Government-funded associate degree programmes to a self-financing mode will be brought into question. If it is the intention of UGC to see the 13 funded sub-degree programmes converted into self-financing, shouldn't the UGC and the Government have the moral responsibility to see to a smooth conversion in the transitional period, and to step in whenever difficulties arise? However, they all seem to be washing their hands out of the whole situation.

1.3 Damaging Hong Kong's image and wasting public assets

The image of Hong Kong's tertiary education in the provision of associate degrees will be damaged among the overseas universities and professional bodies with whom our University has articulation arrangements, collaborative partnerships or accreditation arrangements. Since the translation of a news article about our University's decision to phase out the 13 AD programmes was sent to UK universities by the British Council on 17 May, we have already received concerned enquiries from some overseas universities with whom we have such agreements and partnerships. The articulation and accreditation arrangements developed over the years are valuable public assets as they are the assets of a publicly funded institution. Thus the closing down of the 13 funded AD programmes results in not only a loss of thousands of further studies opportunities, but also a total waste of treasured public assets.

1.4 Sub-degree education turned into a commodity

Sub-degree education will be blatantly turned into a commodity, subject not only to "market demand", but also to the commercial practice of profit-making. Where the demand proves to be less profitable, there will be no supply; where the operators can squeeze more profit by exploiting teaching staff, by cutting corners through sacrificing quality in education, they will certainly ruthlessly and legitimately do so. Is the government going to connive at and encourage such an undesirable scenario, which is a logical consequence of City University's closure of its 13 AD programmes?

1.5 Students paying much more to get much less

Students from families at the bottom of the socio-economic rung, who have done less well in their A-level examinations will be triply penalized: they will have to pay much higher tuitions fees to take self-financing sub-degree programmes, yet they will have far fewer choices, and much lesser guaranteed quality in the programmes. In short, they will have to pay much more to get much less, which is gross social injustice.

2. The above undesirable social and educational consequences are brought about by City University Management's announced decision, which reflects a breach of procedure, abuse of power, mismanagement of a publicly funded institution and poor leadership, bringing the governance of a publicly funded institution such as City University into question.

2.1 Breach of Procedure

This announcement of the Management Board's decision, which represents a change in the direction and role of the University as indicated in the President's letter to the Chairman of the UGC dated 15 May, had not been discussed, not to mention approved, by the Senate or Council. Issuing a press statement of internal decisions that had yet to be approved by the Senate and Council is a challenge to their authority, and if unchecked, and uncensored, will turn the existing governing bodies into rubber stamps, making a farce out of University governance. Furthermore, in the Management Board meeting on 14 May, there was no resolution to issue a press statement within the following two days. Hence the public announcement of the internal resolutions was also an attempt of the University Management to pre-empt the Management Board.

2.2 Total disregard for consultation

We believe that the Management Board resolutions made in its special meeting on Thursday 14 May were not based on consultation with stakeholders, staff and students, nor on complete and relevant information related to the affected AD programmes, as ALL normal monitoring and consultative mechanisms and procedures in the University, academic or otherwise, including the Divisional Executive Committees, Divisional Advisory Committees, College Validation and Monitoring Committee, College Board, College Executive Committee and Academic Policy Committee, Staff Consultative Committee and City University Staff Association, had been bypassed.

2.3 Autocratic Leadership

In the President and Deputy President's meeting with the College Executive Committee on 15 May, announcing the Management Board's decision and the intention to issue a public statement, the College Executive Committee raised its strong objections to the Management Board's decision and requested full staff consultation before any statement should be issued to the public. Its requests and objections, however, were ignored. Bending on announcing ill-formed decisions despite all advice against it reflects gross mismanagement and autocratic leadership that does not befit that of a publicly funded institution.

2.4 President using fabricated information to cover up mistakes

The President told the College staff in a meeting with the Division of Commerce on 12 June 2003 in P4302 and in a general meeting with College

staff that the funded programmes had to be effectively closed down and the public announcement had to be made, as that was the only way that UGC would agree to the provision of a compensation package for the affected staff. Again UGC was said to have forced the University to take this move, if the University was considering giving a decent compensation to staff. If our President was speaking the truth, we would like to ask the UGC why they should make such unreasonable stipulations in the process of funding withdrawal to make things more difficult for staff, students, and the funded institutions. If it is not true, then it is another example of our President fabricating information to justify his bad decision.

2.5 Lack of commitment to AD programmes

From the year 2000 up to May 2003, the President and the Provisional Provost publicly discussed setting up an "autonomous, financially viable College". At no time was the option of closing down the programmes and the College raised, despite the President's claim to have "forewarned staff in the past six months" as reported in SCMP on 24 May.

If such decisions were contemplated by the Management during the past six months, then evidently the Management was **deliberately misleading** College staff and giving them false expectations.

An alternative scenario is that these decisions were reached in the special meeting of the Management Board, in response both to the UGC letter confirming the schedule for withdrawal of funding, and to the University's failure in bidding for the Shek Mun site. If this is indeed the case, our Management has demonstrated a total lack of contingency planning, and inability to respond to the Government's position.

We have reason to doubt our University's sincerity in bidding for the Shek Mun site. We also doubt whether our University made full use of the second chance to confirm its commitment to providing Associate degree education through its response to the Government's request for clarification in mid-April. Instead, the University Management openly blamed the UGC's withdrawal of funding and Government's role in the failure of the Shek Mun bid for its decision to close down the programmes. This is another example of a management that passes its responsibility for coping with difficulties and crises onto other parties. (Since land for a campus site is said to be a major factor, we hope the Government will extend a helping hand to City University in this regard).

2.6 Deviation from public mandate

In the UGC – Facts and Figures 2001, CityU 's role was described as offering "a range of courses leading to the award of Associate Degrees and First Degrees". In phasing out the 13 funded programmes when the funding is withdrawn, the University will be deviating from the role and mandate assigned by UGC.

Our requests

For the above reasons, the Action Group condemns strongly the University Management for the public announcement of its ill-formed decisions; for its total lack of consideration of community interests; for blatantly bypassing existing governing bodies, and quality assurance mechanisms in releasing its resolutions which are only internal recommendations; for its deliberate disregard of existing consultative mechanisms as well as staff's expressed requests for consultation; and for its autocratic, unconsultative leadership. We will hold the University Management accountable for its mismanagement of the whole issue and for the damage done to our University.

We are pleased to see our University Council stepping in to prevent the situation from getting out of control, and we have good faith and high expectations in the Working Group that was set up in being able to do us justice.

Finally, the Action Group would like the LegCo Panel on Education to

- press the UGC to review its policy on funding withdrawal from sub-degree programmes, particularly the funding withdrawal schedule for CityU;
- request the UGC to provide assistance to City University to ensure a smooth transition in the conversion of funded programmes into self-financing, particularly in the extension of the schedule, in the provision of land and loan for that purpose;
- request UGC's respective subcommittees and the University Council to closely monitor the University Management to ensure that history will not repeat itself in its governance; and
- monitor closely the College in crisis incident to ensure a healthy development and the University not deviating from its public mandate.

For the protection of public interests, both in the provision and maintenance of quality post-secondary education, and in ensuring proper governance of City University as a publicly funded institution, we have no doubt that the LegCo Panel on Education will take action on our requests. We are ready and most willing to provide full and relevant information on LegCo Panel's further enquiries.

Respectfully submitted

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Attachment 1: University Press Statement issued on 16 May 2003



Public Affairs Office

16 May 2003

Press Statement

City University of Hong Kong has received formal notice from the University Grants Committee (UGC) of its decision to withdraw funding from 13 of 19 Associate Degree programmes over the period 2004/05-2007/08. The University is deeply disappointed with the decision.

The University has, on various occasions, appealed to the UGC to retain Government funding for the programmes and also to extend the transition period to minimize the impact on the University's staff and students. Owing to the strenuous efforts made by the University, the UGC has eventually retained funding for six programmes instead of three.

University has examined the possibility of continuing to offer these 13 programmes on a selffinancing basis, but finally decided this would not be financially viable. City University emphasizes the quality of its programmes, and is aware that it could not continue to run Associate Degree programmes of the same kind of quality on a self-financing basis. After a detailed analysis of the new operating environment and careful deliberation by the Management Board, the University concluded that it should prepare for the phasing out of these 13 programmes. The University is now planning the phasing-out process of these programmes and the running-down arrangements which would affect many of its staff. It is estimated that about 150 staff members of the College of Higher Vocational Studies will be affected. The University is striving for a reasonable compensation package for the staff who will be made redundant as a result of the withdrawal of Government funding, and it has made a written request to the UGC for a relief fund for this purpose.

Over the past two years, the University has examined the possibility of running market-driven non-UGC- funded post-secondary programmes in other modes to meet the educational needs of the public. As a key prerequisite is the availability of an independently run campus to provide proper facilities to house the students, the University has seriously examined the feasibility of and submitted written proposals for establishing a community college at the existing premises of the University staff quarters, in Tsing Yi and in Shek Mun. The University is greatly disappointed that these proposals have not been approved by the Government departments concerned.

The University fully recognizes the serious effect that UGC's decision will have on its staff and feels deeply sorry about this. The University is actively looking into various ways to accommodate staff in other positions, as far as possible, to minimize the impact. Suitable positions are being identified within the University, and School of Continuing and Professional Education (SCOPE) is looking into whether it is feasible and in what manner to run a series of market-driven post-secondary programmes on a self-financing basis. It is hoped that these measures will help absorb some of the affected staff. Certainly, CityU's College of Higher Vocational Studies is now facing a serious problem and a tremendous challenge. The University is committed to putting its best foot forward to make reasonable arrangements for its staff. The University will also ensure students currently enrolled and those who will be enrolled in these 13 programmes in the transition period will not be affected.

CityU takes great pride in its student-oriented learning environment, whole-person education and the quality of its academic programmes. We are reluctant to accept the sad fact that our UGC-funded Associate Degree programmes will no longer be supported by the Government. We will, nonetheless, undertake to ensure that the academic quality of the abovementioned programmes will remain at a high standard during the transition period, until the last cohort of students graduates from the programmes.