

LCQ20: Self-financing post-secondary education institutions

Following is a question by Professor the Hon William Wong and a written reply by the Secretary for Education, Dr Choi Yuk-lin, in the Legislative Council today (February 28):

Question:

Regarding self-financing post-secondary education institutions (self-financing institutions), will the Government inform this Council:

(1) as the 2023 Policy Address has stated that the Government will build Hong Kong into an international hub for post-secondary education, of the relevant roles and positioning of self-financing institutions;

(2) as the Post Secondary Colleges (Amendment) Bill, which seeks to strengthen the regulatory regime on the registration of colleges and provide for a unified regulatory framework for all self-financing institutions operating post-secondary education programmes at both the degree and sub-degree levels, was once included in the 2022 and 2023 Legislative Programmes, of the reasons why the authorities ultimately did not present the Bill to the Legislative Council for scrutiny in those two legislative sessions, and whether the obstacles concerned have been removed; whether the authorities can ensure that the Bill will be presented to the Legislative Council for scrutiny in the current legislative session;

(3) given that students enrolling in self-financing undergraduate programmes offered by University Grants Committee-funded universities cannot benefit from the Non-means-tested Subsidy Scheme for Self-financing Undergraduate Studies in Hong Kong, whether the authorities will extend the coverage of the Scheme to include such students; if so, of the timetable;

(4) given that it has all along been the Government's policy to support the parallel development of the publicly-funded and self-financing post-secondary education sectors, and that the 2023 Policy Address has stated that the Government will increase the admission quota of non-local students to Government-funded post-secondary institutions, of the restrictions currently placed by the authorities on the admission of non-local students to various self-financing institutions, and whether it will likewise increase the admission quota of non-local students to self-financing institutions;

(5) as the 2023 Policy Address has stated that the Government will promote the development of universities of applied sciences, and self-financing institutions play an important role in the relevant work, of the policies and measures to be put in place by the Government to assist self-financing institutions in developing more applied degree programmes that appeal to non-local students; and

(6) of the Government's current measures to assist self-financing institutions in admitting non-local students?

Reply:

President,

It has all along been the Government's policy to support the parallel development of the publicly-funded and self-financing post-secondary education sectors. The self-financing sector helps diversify our higher education system and provides more education opportunities for our secondary school graduates. In pursuance of this policy, the Education Bureau (EDB) exercises oversight of the self-financing institutions, focusing on ensuring their transparency of operation, quality assurance, and good governance, while implementing a host of support measures for institutions as well as providing subsidies for students to promote the healthy and sustainable development of the self-financing sector.

Our reply to the question raised by Professor the Hon William Wong is as follows:

(1), (4) and (6) The Chief Executive's 2023 Policy Address outlined the direction to develop Hong Kong into an international education hub and a cradle of future talent. The Government is further harnessing the advantages of Hong Kong's post-secondary education in terms of internationalisation and diversification, with a view to proactively promoting the parallel development of the publicly-funded and self-financing post-secondary education sectors, enhancing their quality, and expanding their capacity. The Government also encourages self-financing institutions to identify and develop more distinct niche areas. While attracting and nurturing diverse talent, and creating strong impetus for the development of Hong Kong, we aim to facilitate people-to-people bond, serve Hong Kong, and contribute to the country.

In this connection, the Government is launching a number of initiatives, including doubling the non-local student quota of publicly-funded post-secondary institutions to 40 per cent of the local student places with effect from the 2024/25 academic year. The institutions may, having regard to their own conditions, progressively attract more non-local students.

As regards the self-financing post-secondary education sector, save for students from the Mainland, Macao and Taiwan (MMT), there is no restriction on the admission of non-local students to full-time locally-accredited self-financing local sub-degree, undergraduate, taught postgraduate, and research postgraduate programmes. For MMT students, six local self-financing post-secondary institutions, namely, Hong Kong Metropolitan University (HKMU), Hong Kong Shue Yan University (HKSJU), The Hang Seng University of Hong Kong (HSUHK), Hong Kong Chu Hai College, Tung Wah College, and Technological and Higher Education Institute of Hong Kong under the Vocational Training Council, have been approved by the Ministry of Education (MoE) to admit

Mainland students to their full-time locally-accredited self-financing local degree programmes. Under the mechanism agreed by the MoE, there is a quota restriction on the number of MMT students enrolled in full-time locally-accredited self-financing local sub-degree and undergraduate (including top-up degree) programmes by these six specified self-financing institutions in each academic year, which should normally not exceed 10 per cent of the total student enrolment in such programmes in the preceding academic year. There is no quota restriction for postgraduate programmes. In accordance with the abovementioned mechanism, taking into account relevant institutions' satisfactory track record, performance in admission of local and Mainland students, and the utilisation of the prevailing quota, the EDB has increased the relevant quota applicable to HKMU, HKSYU, and HSUHK to 20 per cent with effect from the 2023/24 academic year. As regards sub-degree programmes, all self-financing institutions may admit non-local students (including MMT students) to their full-time locally-accredited self-financing local sub-degree programmes, and the abovementioned 10 per cent or 20 per cent quota is also applicable.

In view of their self-financing mode of operation, self-financing institutions enjoy greater flexibility in programme development to respond to the ever-evolving manpower needs of different sectors of society, complementing publicly-funded institutions in providing diversified articulation pathways for young people and nurturing talent needed by the market. In recent years, as the self-financing sector gradually matures, institutions have been proactively driving internationalisation and the number of non-local students pursuing self-financing post-secondary programmes have been consistently increasing. In this connection, the self-financing sector has potential to play an important role as Hong Kong develops into an international post-secondary education hub. The Government will continue to explore with the MoE feasible enhancements to the arrangements for Mainland students to study in Hong Kong, with a view to achieving the abovementioned policy objectives.

On the other hand, the EDB will continue to implement a package of support measures to promote the sustainable development of the self-financing sector, providing quality, diversified, and flexible articulation opportunities for students (including non-local students). In particular, the Policy Address announced that the Government would launch a new round of the Land Grant Scheme and Start-up Loan Scheme this year to provide land sites at nominal premium and interest-free loans respectively, with a view to supporting self-financing institutions to develop and improve campuses in support of more teaching and learning activities. We will announce the details in due course.

(2) and (3) In pursuance of the recommendations of the Task Force on Review of Self-financing Post-secondary Education, the EDB is proactively taking forward the amendments to the Post Secondary Colleges Ordinance (Cap. 320), with a view to enhancing the regulatory framework and governance of self-financing post-secondary institutions. The proposed legislative amendments aim to strengthen the regulatory regime on the registration of post-secondary colleges, and provide for a unified regulatory framework for all institutions

operating self-financing post-secondary education programmes at both the degree and sub-degree levels, with a view to ensuring an appropriate level of transparency and accountability in their operations in tandem with the academic and institutional governance expected of a modern higher education institution. The revamped regulatory regime will also provide for an effective and efficient mechanism to uphold the quality of self-financing post-secondary education by rationalising the arrangements for registration/cancellation of registration of institutions and awarding of degrees, as well as repealing obsolete and overly prescriptive provisions.

The EDB has all along been maintaining close liaison with relevant stakeholders on the legislative amendment proposals. In view of the views raised by some stakeholders, the EDB has been further refining the legislative amendment proposals. It is expected that the amendment bill will be introduced into the Legislative Council in the second half of this year. The relevant amendment bill has also been included in the 2024 Legislative Programme.

As regards the eligibility of the Non-means-tested Subsidy Scheme for Self-financing Undergraduate Studies in Hong Kong (NMTSS), in pursuance of the policy of promoting the parallel development of the self-financing and publicly-funded sectors, the Government has provided more targeted support for independent self-financing institutions and their students. Under the prevailing policy and arrangement, the self-financing undergraduate programmes operated by University Grants Committee-funded universities and their self-financing arms are not eligible for the NMTSS. Subject to the progress of the legislative amendments to Cap. 320, we will discuss the relevant transitional arrangements with the self-financing arms with the intention to migrate to the unified regulatory framework under the revamped Cap. 320 regime in a timely manner, including their eligibility for the NMTSS.

(5) In accordance with the strategy of fostering industry institution collaboration and diversified development, the Policy Address announced that the Government would press ahead with the establishment of universities of applied sciences (UAS) to raise the status of vocational and professional education and training (VPET) at degree level and provide an alternative pathway to success for young people who aspire to pursue a career in professional skills sectors.

The EDB promulgated the criteria for qualifying as a UAS on February 2, 2024, inviting eligible self-financing post-secondary institutions to submit applications. We will provide financial and related support to self-financing post-secondary institutions with the capabilities and experience to plan ahead and develop along the relevant direction, in order to further enhance the status of VPET in society and among parents and students. Relevant measures include:

(i) according priority to eligible programmes of UAS for inclusion under the Study Subsidy Scheme for Designated Professions/Sectors (SSSDP), which subsidises about 4 000 places of self-financing first-year-first-degree and

top-up degree programmes per annum that belong to disciplines with manpower needs. We will accord priority to eligible programmes of UAS when reviewing the disciplines covered, list of programmes, and allocation of subsidised places under the established mechanism, with a view to strengthening support for UAS and encouraging enrolment of students.

(ii) according priority to eligible applications from UAS when considering the applications for other relevant support measures for self-financing post-secondary institutions, in order to further support the multifaceted development of UAS; and

(iii) setting aside a start-up fund to support post-secondary institutions with potential to form an alliance of UAS within 2024 for joint promotion.

On the other hand, based on the successful experience of the two rounds of the Pilot Project on the Development of Applied Degree Programmes, we will also provide additional support for applied degree programmes through the SSSDP, with a view to encouraging self-financing post-secondary institutions to offer more applied degree programmes in relation to disciplines relevant to professional skills sectors and enhancing the enrolment incentives of students and parents.