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Hong Kong

EDUCATION COMMISSION

REPORT NO 3:

**THE STRUCTURE OF TERTIARY EDUCATION
AND
THE FUTURE OF PRIVATE SCHOOLS**

June, 1988

Hong Kong

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Chapter 1 Introduction

1.1 This is the third report of the Education Commission. The bulk of the report (chapters 3 and 4) is concerned with two major educational issues : the structure of tertiary education and the role of private schools. We have also summarised the progress made in implementing recommendations in our earlier reports (chapter 2), noted discussions which we have had on other educational topics (chapter 5) and indicated possible future areas for study (chapter 6). Chapter 7 is a complete list of our recommendations.⁽¹⁾

1.2 The report represents roughly one and a half years' work by Members of the Commission, and a total of more than 25 formal meetings. The membership of the Commission during this period is set out at Annex A. We would like to thank those who spared time and effort to help us in our task, especially the heads of the tertiary institutions and the representatives of the private school associations which we consulted on the two major topics in the report. A list of the institutions and organizations which we consulted is at Annex B.

1.3 This report is different from its predecessors in form and content. Our Report No. 1 was published in October 1984. It dealt with the immediate issues raised by the survey of Hong Kong's educational system carried out by the Llewellyn Panel in 1982 "A Perspective on Education in Hong Kong". Report No. 2, published in September 1986, was a more complex document. It developed

⁽¹⁾ Recommendations are underlined in the place where they first appear in the text.

in detail the more controversial areas of the Llewellyn report, including sixth form education and open education. Publication was followed by public consultation. Nearly all the recommendations which we made in those two reports have been accepted and have been or are being implemented by the Government.

1.4 By the time work was due to start on Report No. 3, the Commission had existed for over three years and had fulfilled its immediate tasks arising from the Llewellyn report. In doing so, we had ranged over the whole of Hong Kong's educational system. We have now to consider what more specific tasks we should undertake, in line with our terms of reference, in the years to come. (A copy of our terms of reference is at Annex C.) We believe that we should not duplicate the work of the Government's other advisory bodies on education, such as the Board of Education, the University and Polytechnic Grants Committee, or the Vocational Training Council. Nor should we repeat the work of the Llewellyn Panel - and indeed of our first two reports - by carrying out yet another "overall review".

1.5 Instead, we consider that we can in future best serve the community by publishing shorter, more frequent reports, each dealing with a single educational subject. The subject of each report will be chosen with an eye to Hong Kong's future educational development. We will try to give impartial advice in areas which might otherwise not be addressed by the Administration or its other advisory committees, which must necessarily give priority to the issues of the day.

1.6 It is with this new type of report in mind that we have selected our future tasks (chapter 6).

1.7 The present report represents a transitional phase between our first two reports, which between them reviewed almost all of Hong Kong's educational system, and the educational monographs which we intend to publish in future. It contains features which we hope to be able to omit from future reports, in particular the relatively minor items in chapter 5.

1.8 Three months were allowed for public consultation on our Report No. 2. We believe that two months should suffice for the consultative period for the present report, given the fewer subjects dealt with and our objective of more frequent report publication.

1.9 We hope that all those who read the report will accept the open-minded spirit in which it is presented. From the ensuing public debate, we are confident that sensible solutions will be found to two major educational problems which have for so long gone unresolved.

Chapter 2 Review of progress on earlier reports

Section A Introduction and Education Commission Report No. 1 (ECR 1)

2.1 **Introduction.** The purpose of this chapter is to review the progress made in implementing the major recommendations in our previous reports and to note any significant changes to our recommendations made in the light of public comment.

2.2 **ECR 1.** A comprehensive review of progress in implementing the recommendations in our first report was given in chapter II of Education Commission Report No. 2 (ECR 2). All recommendations in ECR 1 have now been accepted by the Government and have either been implemented or are in the process of implementation.

Section B ECR 2 - language in education

2.3 **Recommendations.** In ECR 2, we made three recommendations supplementary to the major proposals on language in ECR 1. These were that -

- (a) an additional half of a non-graduate post for teachers of Chinese should be provided for Government and aided secondary schools with fewer than 18 classes;
- (b) schools should be given flexibility to use the resources provided for "split class teaching" for other measures to strengthen the teaching of English; and

- (c) there should be further research into split class teaching of English and other measures to strengthen the teaching of English.

2.4 **Public reaction.** During the consultation period following the publication of ECR 2, we received 35 submissions which dealt to some extent with language in education. Most focussed on progress in implementing the more substantial recommendations in ECR 1. There was, for example, considerable support for the wider use of Chinese as the medium of instruction in secondary schools. The follow-up recommendations in ECR 2 were generally welcomed.

2.5 **Implementation.** As regards (a) in paragraph 2.3 above, the additional posts were provided in September 1986. As regards (b), the Finance Committee of the Legislative Council approved funds for additional teachers of English, additional equipment and one-off library grants with effect from September 1988. As regards (c), further research on split class teaching is being carried out in four aided schools and guidelines for split class teaching have been issued to all secondary schools.

Section C ECR 2 - pre-primary services

2.6 **Recommendations.** In ECR 2, we made 23 recommendations for the future development of pre-primary services. The most important of these related to the unification of pre-primary services, improvements to teacher : pupil ratios and to teacher training, the introduction of normative salary scales, improvements to the fee assistance scheme and curriculum development.

2.7 **Public reaction and implementation.** The public expressed great interest in this subject : over 60 submissions were received during the consultation period.

Most generally favoured our recommendations, although some felt that pre-primary education should be fully subvented. A Government working group is examining the practical aspects of implementing our proposals and expects to make recommendations to the Executive Council in the summer of 1988.

Section D ECR 2 - the development of sixth form education

2.8 **Recommendations and public reaction.** Of all the chapters in ECR 2, that on the development of sixth form education attracted the widest public interest. We received written comments from 102 organizations and individuals. Our statement of the objectives of sixth form education (ECR 2, paragraph VI.4.1) was widely supported. A majority of our respondents supported the basic concept of the so-called "5+2" secondary system, that is, five years of secondary education followed by two years' sixth form. One major criticism made was of the proposal for a one year Intermediate (I) level examination (see paragraph 2.12 below). Many respondents also suggested that the Commission should study the structure of tertiary education. This we have done in the present report. Our most significant recommendations and public reaction to them are noted in the following paragraphs.

2.9 **Extension of sixth form to all types of school.** We recommended the extension of the two year sixth form to those schools currently offering only a one year course (mainly Chinese Middle schools) and to prevocational schools, which at present offer no sixth form classes. Public reaction was generally favourable. The point was made by some respondents, and we accept this, that worthwhile sixth form courses of a less academic nature will depend on the successful introduction

of new curricula, and that extension to prevocational schools will need to be phased to ensure that the supply of such places does not outstrip demand.

2.10 **Level of sixth form provision.** We recommended a target level of provision of one public sector Secondary 6 place for every three public sector Secondary 4 places two years earlier. This recommendation was supported by a majority of respondents.

2.11 **Abolition of the Higher level (H level) examination.**
Public submissions received were unanimous in support of this recommendation. Implementation will need to coincide with the extension of Secondary 7 to schools now offering only Secondary 6.

2.12 **Broadening the curriculum.** We considered that the sixth form should provide a worthwhile education for students with a wider range of ability than those aiming for entry to tertiary institutions. We accordingly recommended that the range of subjects offered at Advanced (A) level should be broadened to cover technical and practical courses. We also recommended the introduction of a new I level examination. As formulated in ECR 2, I levels were normally to be taken after one year, so that in addition to broadening the curriculum, they would provide a recognised exit qualification for students leaving school after Secondary 6. Public comment was supportive of our aim of broadening the curriculum, but doubtful of the benefits of an additional exit point. There was opposition to anything which might weaken the integrity of the two year sixth form. Taking into account the public response, we now consider that the new examination should be taken after two years of study. We believe that courses could be of the following types -

- (a) courses of a general nature in arts and sciences, not based on existing A level courses; and/or
- (b) practical and technical courses, not necessarily based on existing A level courses; and/or
- (c) courses in the same subjects as existing A levels, covering more restricted ground than A levels but in similar depth, or the same ground as A levels in less depth.

2.13 **Language studies.** We maintain our view that particular provision should be made for language studies in both English and Chinese throughout the sixth form. The new I level examination should provide an effective and flexible means to achieve this. There was wide public support for our recommendation that A and I levels should be available in both English and Chinese.

2.14 **Implementation.** In May 1988, the Government announced that it had agreed in principle that all sixth form courses should last for two years following Secondary 5 and should lead to the existing A level examination. It also endorsed our other major recommendations on sixth form education, as outlined in the preceding paragraphs. A working group is to be formed by the Government to plan detailed implementation. We will be suggesting in a subsequent chapter that representatives of tertiary institutions and schools be invited to participate in this working group (chapter 3, paragraph 3.17 below). Planning has meanwhile already begun for the introduction of I levels, of the new practical and technical A level subjects and of A levels in the medium of Chinese. With hindsight we recognize that the timing suggested in ECR 2 for implementing these recommendations was slightly optimistic. We now understand that the earliest possible date for introducing A level syllabuses in Chinese would

be 1990, this date being subject to appropriate Chinese course materials being made available in good time. On that timetable, students would be able to take A levels in the medium of Chinese for the first time in the summer of 1992. We understand, however, that this timing may be subject to further adjustment. The timetable for the abolition of H levels, for the development of new A level courses in practical and technical subjects and for the introduction of I levels in schools is among the subjects to be considered in detail by the new working group.

Section E ECR 2 - teacher preparation

2.15 **Recommendations and public reaction.** We studied teacher training in general in our first report. In ECR 2, we addressed the specific issues of the training of graduate teachers, the improvement of training for technical teachers in technical institutes, the development of degree level qualifications in education and the improvement of in-service training for teachers of children with special educational needs. We received altogether 50 written submissions from the public on our proposals. Most of the comments received were favourable, although there were some specific criticisms of details, such as the level of intake to particular courses. Such details will in any case need to be revised in the course of implementation.

2.16 **Implementation.** In February 1988, the Governor in Council endorsed our recommendations, subject to the availability of funds, in the following terms -

- (a) subject to the advice of the University and Polytechnic Grants Committee, the enrolment capacity of the tertiary institutions should be

expanded to enable 80% of graduate teachers to be professionally trained by 1994, with the capacity rising further to achieve 90% in the long run;

- (b) relief teachers should be provided to assist the Vocational Training Council to release its teaching staff for attending part-time day release teacher training courses;
- (c) the Government should declare its support for the introduction of a Bachelor of Arts course in primary education for heads of primary schools and special schools;
- (d) graduate teacher posts in schools should be provided for the teaching of practical, technical and cultural subjects;⁽²⁾ and
- (e) a revised mode of attendance should be introduced for the Education Department's in-service training courses for teachers of children with special education needs.

Section F ECR 2 - open education

2.17 **Recommendations and public reaction.** Our major recommendation was that a new institution should be established to develop a programme of open education at the post-secondary level. We said that such a programme,

⁽²⁾ Following the decision by the Executive Council, the Government intends to examine further which of the existing tertiary institutions or the planned Open Learning Institute would be best placed to run courses in these subjects.

to be successful, could best be carried out by a consortium, in which all the UPGC - funded institutions and other suitable bodies, would be invited to join. The consortium would not be an "open university". It would not produce the majority of its own courses, it would operate at sub-degree as well as degree level and its degree courses would require external accreditation. But it would need an identity of its own in order to establish its reputation and ensure the momentum required for success. It would require its own premises, senior academic staff and award-granting powers. We recommended that a planning committee be established to identify the principal areas of demand and need for open education courses and the availability of contributory effort from participating institutions, to assess the availability of course material from overseas and to produce a detailed implementation plan. These proposals received strong public support.

2.18 **Implementation.** Having taken advice from a working group of distinguished local academics, we came to the view that "The Open Learning Institute of Hong Kong" would be a suitable title to reflect the nature and the status of the consortium. Approval for our recommendations was announced by the Governor in his annual policy address to the Legislative Council in October 1987. The Planning Committee for the Open Learning Institute of Hong Kong was established on 1 January 1988 under the chairmanship of the Honourable Cheng Hon-kwan, JP. The planning committee comprises senior local and overseas academics and leading representatives of Hong Kong's commercial and industrial sectors. It held its first two meetings from 26 February to 1 March and 29 to 30 April 1988. Members have approved a programme of work aimed at establishing the OLI in time to admit its first students in September 1989.

2.19 **Open education : other recommendations.** In section VIII.6 of ECR 2, we proposed a number of guidelines for overseas institutions wishing to offer open education and distance learning courses in Hong Kong. The Education and Manpower Branch of the Government Secretariat is now examining the implications of these recommendations. We also recommended that the five year Government Secondary School Course for Adults and the six year Secondary School Course should be amalgamated into a single course of five years' duration and that planning should proceed for a sixth form course. The amalgamation of the five and six year courses is expected to be complete by September 1988. Finally, we said that the concept of regional centres for adult education should be further explored and proposals for a pilot scheme developed. The Education Department is now preparing such proposals.

Section G ECR 2 - financing of education

2.20 **Recommendations.** To assist the Government and the Commission in assessing the financial implications of existing or proposed educational policy, we recommended that -

- (a) a series of linked financial models should be developed and made available to the Commission and to the policy planners who consult us, as a basis for the planning of a financial strategy for developments in education and the monitoring of financial resource and revenue requirements;
- (b) a detailed feasibility (or systems specification) study should be conducted as soon as possible;

- (c) a consultant with appropriate experience should be employed who would undertake the feasibility study and act as the leader of the development team; and
- (d) the higher level financial model should be operated by the Education and Manpower Branch of the Government Secretariat.

2.21 **Public reaction.** These proposals attracted little public comment but such response as was received was favourable.

2.22 **Implementation.** The proposals on the financing of education have been accepted by the Government and funding for the consultancy has been approved by the Finance Committee of the Legislative Council. The Government hopes to appoint a consultant by mid-1988 to undertake the detailed feasibility study for the financial models. The second stage of the consultancy will then cover the development of the models themselves, ie their initial construction, the collection of information and testing of the system.

Chapter 3 The structure of tertiary education

Section A Background: present structure of tertiary sector

3.1 **Introduction.** This section lists the institutions of tertiary education which are affected by our study. It indicates each institution's most important structural features, namely length of first degree and other courses, timing of matriculation, basic matriculation requirements⁽³⁾ and student numbers.

3.2 **Composition of tertiary sector.** For the purposes of this study, we have classified as "tertiary" institutions which provide post-sixth form education, that is, those for which minimum entrance requirements are Higher (H) level, Advanced (A) level or above. Some of these offer school level education as well. The institutions concerned are -

- (a) the University of Hong Kong (HKU);
- (b) the Chinese University of Hong Kong (CUHK);
- (c) the Hong Kong Polytechnic (HKP);

⁽³⁾ The detailed matriculation requirements of some of the tertiary institutions are quite complex. For example, in addition to the A level requirements mentioned in paragraph 3.3, the University of Hong Kong requires matriculants to have one of a number of permitted combinations of Hong Kong Certificate of Education results. Individual faculties or departments may also impose their own, additional, requirements.

- (d) the City Polytechnic of Hong Kong (CPHK);
- (e) the Hong Kong Baptist College (HKBC);
- (f) the Hong Kong University of Science and Technology (HKUST);
- (g) colleges registered under the Post-secondary Colleges Ordinance (Cap 320), namely the Hong Kong Shue Yan College and Lingnan College;
- (h) the four colleges of education; and
- (i) overseas institutions of tertiary education which accept Hong Kong students.

3.3 **HKU.** HKU had an intake in academic year 1987-88 of 1,907 students to full time, first degree courses. With the exception of the faculties of dentistry, medicine and architecture, which provide five year courses and had a combined intake of 276 students, all faculties offer first degree courses lasting three years. Entrance normally follows completion of Secondary 7. The basic matriculation requirements are three A levels or two A levels with Hong Kong Certificate of Education (HKCE) grade C or above in two subjects other than English. Grade E or above in the Use of English examination is also a requirement. The UK General Certificate of Education O and A levels are accepted in lieu of their Hong Kong equivalents. HKU adopted its present three year system in 1954, having previously required students to complete a preliminary year of study before entering the ordinary degree course. At the same time it raised its matriculation requirements. The purpose of these changes was to improve the standard of HKU's degrees to the level offered by universities in

England. The higher matriculation requirements were reflected in a longer ("5+2")⁽⁴⁾ secondary school course.

3.4 **CUHK.** CUHK accepted 1,470 full-time students into first degree courses in 1987-88. 1,332 of these entered four year courses, the remainder (in the faculty of medicine) five year courses. The four year courses offered by CUHK are conceptually different from those offered by HKU before 1954. CUHK claims that its "additional" year enables it to provide a general and cultural education in addition to students' major specialized interests. The general education elements are, however, integrated throughout the four year programme, so that the first year is not a preliminary year, sharply differentiated from the following three. Entrance to CUHK may follow either Secondary 6 or Secondary 7. Entrance after Secondary 6 is on the basis of H level results⁽⁵⁾ or acceptance through CUHK's Provisional Acceptance Scheme (PAS). After Secondary 7, it is on the basis of A levels. H level applicants require five subjects at Grade E or above, including English and Chinese. A level applicants must have three subjects at Grade E or above together with Use of English : if Chinese is not one of the A levels then the applicants must have an H level at Grade E or above in that subject. PAS candidates must have taken at least

⁽⁴⁾ ie five years of junior and senior secondary education leading to HKCE, followed by two years' sixth form leading to A level.

⁽⁵⁾ The Commission has recommended the abolition of H level : see chapter 2, paragraph 2.11 above.

seven subjects at HKCE : those given provisional offers must then obtain five grade E's or above at H level or, for those in two year sixth form streams, obtain a pass in the Final Scholastic Assessment (FSA), administered by CUHK itself. Of successful applicants to CUHK in 1987-88, 67% entered through the PAS, 24% directly on the basis of H levels and 9% on the basis of A levels.

3.5 **HKP.** 3,517 students were admitted to HKP in 1987-88, excluding those on part-time courses. Of these, 854 were admitted to three year full time and four year sandwich first degree programmes on the basis of their A level results (minimum requirement - two Grade E's), 2,034 were admitted to professional diploma courses (similar requirements, also three years); the remaining 629 were admitted to certificate, diploma or higher diploma programmes on the basis of HKCE attainment, these courses lasting between two and four years depending on the subject concerned.

3.6 **CPHK.** CPHK began operation in academic year 1984-85 and admitted students to degree programmes for the first time in 1986-87. In 1987-88, 1,294 full-time students were admitted, of whom 646 are on degree programmes. Degree programmes are three years in length for full time courses (four years for sandwich programmes), with matriculation requirements similar to those of HKP. Non-degree courses are also offered at levels and with matriculation requirements similar to those at the older polytechnic.

3.7 **HKBC.** Like CPHK, HKBC admitted its first degree students in 1986. In 1987-88, they formed 56% (582) of a total full-time student intake of 1,032. The new degree courses are again of three years' duration and

entrance requirements are A level based. At sub-degree level, entrance to the three year honours diploma course (as well as to the two year diploma programme in computing studies) is also on the basis of A levels.

3.8 **HKUST.** We understand that HKUST will be able to admit its first degree students by academic year 1991-92. Initial indications are that, unless there is a radical change in the degree structure of the established institutions, HKUST will adopt a three year programme too, with A levels as the basis for matriculation.

3.9 **Post-secondary colleges.** The Hong Kong Shue Yan College accepted 1,327 first year students in 1987-88 into its four year diploma programme. Students may be accepted on the basis of HKCE, H level or A level results (minimum qualifications : five HKCE results at Grade E or above, including English and Chinese, with at least one grade C). HKCE entrants must, however, have completed Secondary 6 before entry. Lingnan College, the only other institution registered under the Post Secondary Colleges Ordinance, had an intake in 1987-88 of 846 students. 224 of these, however, were admitted to a sixth form course leading to A level. Of the remaining 622, 384 are studying for a higher diploma (two year course), basic matriculation requirements being two A levels, with English and Chinese at HKCE, while 238 are studying for an honours diploma (one additional year).

3.10 **Colleges of education.** The four colleges of education (including the Hong Kong Technical Teachers' College) had a combined 1987-88 intake of 961 students, excluding those on in-service or advanced courses. Of these, 585 were accepted on the basis of A levels (basic minimum requirement being two A levels and grade E or above at HKCE level in English and Chinese) into a two year programme leading to a teacher's certificate. 376

entered a three year course leading to an equivalent qualification. The basic entry requirements for this course are at HKCE level, although most entrants in practice hold A levels.

3.11 **Summary.** A chart summarizing the number of Hong Kong students proceeding to tertiary education locally, broken down according to exit point and matriculation requirements, is at Annex D.⁽⁶⁾ From this

⁽⁶⁾ Owing to the high demand for tertiary education places locally, a large number of students go overseas for their higher education. No precise figures are available because no definitive records exist. Very rough estimates can be made by comparing visa statistics, information provided by international educational organizations and direct surveys of overseas tertiary institutions. On the basis of these sources, we believe that, in 1986-87, at least 1,600 students began first year degree courses in England, the majority being of three years' duration, while 3,900 began such courses in the USA or Canada, most lasting for four years. A large but unquantified number of the matriculants to these four year courses overseas were accepted on the basis of A levels, for which the institutions concerned offer credit exemptions. The University of East Asia (UEA) in Macau runs three year first degree programmes, as well as sixth form, diploma and open education courses, all of which are open to Hong Kong students. Excluding sixth form courses, 5,474 students from Hong Kong, or 87% of its total student body, were enrolled at the UEA in December 1987. There are also considerable numbers of Hong Kong first degree students in Australia (mainly three year pass courses) and in China (four year courses).

chart and from the preceding paragraphs, it is clear that the structure of local tertiary education is comparable to that in England and has similarities to the systems used in various Commonwealth countries. It rests on the foundation of the "5+2" system of secondary education, with the main exit points from secondary school being after Secondary 5 and Secondary 7. However, there are anomalies in our tertiary structure. One of our two established universities and one of our post-secondary colleges take the majority of their students after Secondary 6. The historical reasons for this must be recognized, but should not prevent us from devising a new and better system for the future.

Section B Problems requiring study

3.12 **Introduction.** In this section we identify the main problems which affect the present structure of the tertiary sector and which have made this study necessary. In each case we assess briefly the significance of the problem concerned.

3.13 **Lack of a unified system.** It is generally agreed that the existing variety of entrance points to and decision points for the tertiary sector is highly undesirable, as it leads both to unreasonable pressure on sixth form students and fierce competition between tertiary institutions whose systems of matriculation are in potential conflict. The pressure on students arises from the number of examinations which they must take to maximize their chances of entry to higher education, from the effect these examinations have on the curriculum and on the available teaching time, and from the complexity of the admissions procedures themselves. We recognized these problems in our Report No. 2 (ECR 2) (see paragraph VI.5.1(e)). They will be lessened to some extent by the

abolition of the H level examination (see chapter 2, paragraph 2.11 above). Nevertheless we believe that they cannot be solved without a common point of admission to all tertiary institutions and the introduction of joint admissions procedures (see paragraphs 3.26 and 3.28 below).

3.14 **Importance of an integrated sixth form.** Our attention has repeatedly been drawn to the disruption to sixth form education caused by students leaving the sixth form after Secondary 6 to take up places at CUHK. This problem does not as yet affect Chinese Middle schools, but will do so when Secondary 7 is extended to those schools (see chapter 2, paragraph 2.9 above). We emphasized in ECR 2 the importance which we attached to the strengthening of the two year sixth form for the benefit of all sixth form students. The Government has recently endorsed our recommendations on sixth form education in a slightly revised form (see chapter 2, paragraph 2.14 above). We believe that the Government should avoid any change to the tertiary sector which would negate its efforts to strengthen the two year sixth form. We also believe that very strong justification indeed would be required for any tertiary education structure which would aggravate the disruption of sixth form education which already results from students leaving after Secondary 6.

3.15 **Language standards : defining the problem.** It has been suggested that there has been a significant decline in the ability of tertiary students to communicate effectively either in Chinese or in English and that a three year period at first degree level is insufficient to remedy this problem. The decline has been seen as arising from the extension of the period of free and compulsory education to nine years in 1978 and, in the case of

English, from the progressive change to Chinese as the medium of instruction in secondary schools. Evidence of declining language ability is hard to assess. Certainly the broadening of the education base by the introduction of nine years' free and compulsory education has lowered the average standard in English of Secondary 3 students. The monitoring of English standards at the HKCE examination by the London University shows, however, that -

- (a) the number of students achieving Grade C or above in the HKCE rose from 4,749 in 1982 to 5,923 in 1987. This big increase in absolute terms is to be expected. Equally understandably, the percentage of participating students achieving Grade C or above fell from 19.9% to 11.8% in these two years because of the larger number of lower-ability students sitting for the examination; and
- (b) the Grade C standard is itself monitored and maintained by the Hong Kong Examinations Authority. If the general standard should drop, the percentage to be awarded this grading would be lowered. This ensures the real value of the Grade C (or higher) standard recognized by the London University.

3.16 **Language standards : the solutions.** The above evidence shows that the situation is not as desperate as some would suggest. But we do not doubt that there has been a decline in average standards and we acknowledge that this is bound to effect our English language tertiary institutions in particular. A general improvement at secondary level must, of course, be accomplished in the schools themselves. We have proposed ways to achieve this in our earlier reports (see chapter 2, paragraphs 2.3 to

2.5 above). We note that the Government has taken vigorous action on the basis of our recommendations. A list of recent measures is at Annex E. We believe that a continuous effort will need to be made by the Education Department (ED) to ensure that standards do not decline further. We also believe that the tertiary institutions can play a useful part by adjusting their admission requirements where appropriate. It is obviously pointless to expect a high calibre of English from undergraduates if only minimum standards are required as a condition for matriculation. Finally, we recommend that the Government consider providing additional resources for the teaching of English at tertiary institutions, where this can be shown to be justified as a remedial measure.

3.17 **General standards.** Related to and partly as a result of the alleged decline in language standards, it has been suggested by some that the overall educational standards of Hong Kong's tertiary students are worse than before and that three year degree courses are no longer adequate to raise students to an international standard by the time of graduation. By this is meant, not that students have attained insufficient knowledge in their specialized fields of study, but rather that they are too specialized, and as a result know little of the world beyond their own field and lack maturity, initiative and imagination. We agree that there is genuine cause for concern here. However we are convinced that the answer does not lie in reforming the structure of tertiary education, but rather in changes to the curriculum and teaching methods in our schools and, in particular, in the sixth form. We recommended significant improvements to sixth form education in ECR 2 and, as noted above (chapter 2, paragraph 2.14), these have been accepted by the Government. We believe that both the schools and the tertiary institutions should have a voice in how these

improvements are implemented. We therefore recommend that both schools and tertiary institutions should be invited to participate in the working group which will be set up to consider the reform of the sixth form curriculum arising out of ECR 2.

3.18 **Political questions.** Finally, there have been political doubts cast on the appropriateness of the present "mixed" system. Some critics apparently believe it desirable that Hong Kong should follow the example of certain other countries and adopt an exclusively four year first degree structure. Some of these critics would support a move away from what they see as a "UK model". We should make it clear that we do not subscribe to these arguments. Hong Kong's system of tertiary education should be that best suited to the needs of Hong Kong and of our students. It must take into account the historical development of our educational system and of specifically Hong Kong problems, such as the language question. In the course of our study we have looked at systems used in many countries and we see no harm in borrowing or adapting what is suited to our needs. But we reject firmly the idea of taking another system as our model for its own sake.

Section C Developments affecting this study

3.19 **Introduction.** The purpose of this section is to explain our position on two controversial issues related to this study namely, the relationship of sixth form and tertiary education structure and the recent proposal by HKU to extend the basic length of its first degree courses to four years.

3.20 **Relationship of sixth form and tertiary education structure.** When ECR 2 was published, it was criticized by some for not addressing the differing course

lengths at tertiary institutions and for treating sixth form education as a separate issue. Our position has not, however, changed. Educationally speaking, the sixth form not only can but must be treated independently, as its educational aims and student population are different from either those of senior secondary (Secondary 4 to 5) or tertiary education. We believe that it would be wrong for the structure of the sixth form to be dictated by the requirements of the minority of students who proceed to tertiary education. This raises the question of the extent to which our present study should be allowed to impinge at all on the structure of primary or secondary education. In strict logic, now that the Government has approved our recommendations for a two year sixth form, options for the tertiary sector which would involve altering the structure of school education should not be considered. In practice, for this study to be comprehensive, we have had to examine tertiary structures which would involve such alterations. For example, consideration of post-Secondary 6 matriculation inevitably involves assessing six year secondary school structures ("3+3", and "4+2" and so on). Nevertheless, as we have said above (paragraph 3.14), no tertiary structure which would involve abandoning the Government's recently announced policy on sixth form education should be adopted without the most careful consideration.

3.21 **Proposal by HKU.** On 14 November 1986, HKU issued a press release announcing a proposal to move towards a four year degree programme. Following the issue of this press release, HKU established a working party, under the chairmanship of the Vice Chancellor, to work out in detail the implications of the proposed change. We understand that the working party has now completed its task and that its recommendations are being considered by the university. We assume that the university will

shortly submit formal proposals to the Government. These will be considered in detail by the University and Polytechnic Grants Committee (UPGC), in the light of the educational arguments presented and the availability of funds. The UPGC will then advise the Government on the acceptability or otherwise of HKU's proposals. The Commission does not deal with individual cases. Nevertheless, in considering the UPGC's advice, the Government will no doubt take into account public reaction to the recommendations made in this report.

Section D Progress of this study

3.22 **Introduction.** The purpose of this section is to describe how the present study was conducted and consultation undertaken.

3.23 **Formal meetings.** We began this study in March 1987. Since then, we have considered 16 discussion papers relating to tertiary education structure at a total of 11 formal meetings. After identifying the problems described in the preceding sections, we defined the variable factors which could be combined in different ways to create a number of discrete options. These factors are examined in Section E below. We worked out a total of 18 different options and assessed their disadvantages and advantages individually. The most important of these options are summarized in Section F. We then formed a preliminary conclusion as a basis for consultation with the tertiary institutions.

3.24 **Consultation.** We held three formal consultation meetings with the five UPGC - funded institutions, either individually or in groups. In addition, a series of informal meetings was held with the Vice Chancellors of HKU and CUHK, in order to bring about

a greater degree of mutual understanding of the respective positions of each. We did not hold formal consultation sessions with other bodies, such as the schools councils or the post-secondary colleges. This was because their views were already known to us from the consultation exercise on ECR 2 and because it is the UPGC-funded institutions which stand to be affected most by our proposals. Nevertheless, we emphasize that this report is a consultative document and that we look forward to receiving views on our proposals from all concerned parties.

Section E Issues to be considered

3.25 **Introduction.** We referred above (paragraph 3.23) to the variable factors which it is possible to combine in various ways to produce theoretical alternative structures for the tertiary sector. These factors and certain related issues are considered one by one in the following paragraphs, in some cases concluding with a specific recommendation.⁽⁷⁾

3.26 **Timing of matriculation.** We believe that this is the single most important issue with which we have had to deal in our study. The available alternatives are that matriculation should be after Secondary 6, after Secondary 7 or, as now, at either of those two points. This choice is related to the basic minimum length for first degrees. Both factors are however, important structural aspects of tertiary education and should be considered separately. The point of matriculation also has clear implications for

⁽⁷⁾ Unless otherwise stated, these recommendations refer to first degree or equivalent (eg professional diploma) courses only.

matriculation requirements, the basis for conditional offers and the effect of the requirements of the tertiary education sector on the primary and secondary sectors. As we have stated above (paragraph 3.13), we consider that a unified matriculation point after either Secondary 6 or 7 must be preferable to a "mixed" system with its attendant disruption and increased examination pressure. Against this it could be argued that a "mixed" system benefits those who wish to leave school after Secondary 6 with a meaningful exit qualification higher than HKCE. But this would only be true if a public examination were retained after Secondary 6 - whether the existing H level or the Intermediate (I) level as originally formulated. We now agree that such an examination would not be acceptable (chapter 2, paragraph 2.12 above). The only way in which a "mixed" system could be maintained in the absence of a public examination after Secondary 6 would be for one or more tertiary institutions to adopt a system of admissions similar to that of CUHK's existing PAS. That would bring about all the disadvantages of a "mixed" system referred to above without even the compensation of providing an alternative exit qualification. For these reasons we regard a unified matriculation point for all tertiary institutions as essential to Hong Kong's future educational structure.

3.27 **Matriculation requirements of institutions.** Given the Government's policy decisions on sixth form education, the following alternatives would appear to be possible for Hong Kong's tertiary institutions -

- (a) post-secondary 7 matriculation based on A levels, where appropriate in combination with I levels;

- (b) a system similar to the PAS operated by CUHK, with matriculation based on a combination of HKCE performance and an examination operated by individual tertiary institutions; or
- (c) as a variation on (b), a system of post-Secondary 6 entrance based on HKCE performance and school based assessment.

Of the above, (c) would be marginally preferable to (b), since it would not involve an additional examination or examinations in the middle of the sixth form. But neither (b) nor (c) would be practicable unless they were adopted by all tertiary institutions. For the reasons given earlier, we could not tolerate the perpetuation of the existing "mixed" system. But for option (c) to be adopted by all five UPGC - funded institutions would mean abandoning the sixth form policies which the Government has recently announced and which we strongly support. Under such a system, Secondary 7 would be left as the preserve of those who did not seek tertiary education or were not capable of attaining it. A and I levels would become second class qualifications and the justification for the continued existence of Secondary 7 would soon be called into question. Now it may be that individual tertiary institutions believe that they require more than three years to achieve an acceptable class of graduates in some or all subjects. Where such a case can be proven, a four year or longer degree course may well be justified. But this in itself would not justify taking students before A level, thereby disrupting the education of all sixth form students. We conclude that entrance to degree programmes at all tertiary institutions should be after Secondary 7 and should be based on an appropriate combination of A and I levels.

3.28 **Joint admissions procedures.** In ECR 2 we recommended (paragraph VI.12.2) that a centralized admissions system should be introduced, making it possible for all tertiary institutions to offer places at the same time. The system we envisaged was to be based on a one year I level qualification : "three year institutions" participating in the system would offer provisional or conditional places, while "four year institutions" would make firm offers. The change in the nature of the I level from a one year to a two year course (chapter 2, paragraph 2.12 above) will mean that this proposal will require modification. But the principle of a joint admissions scheme remains important, particularly in view of our recommendation (paragraph 3.26 above) for a unified matriculation point. The scheme should ideally provide for a common point of decision, whereby all candidates for tertiary entry are simultaneously advised of the results of their applications. As a first step, joint application procedures should be devised, so that students apply to institutions at the same time - and preferably using the same forms - although institutions may respond independently and at different times. Steps towards this have already been taken by an inter-institutional working party headed by HKU. The two polytechnics have adopted joint application procedures with effect from 1987-88. We believe that joint admissions procedures should be further developed by all UPGC - funded institutions.

3.29 **The basis for conditional or provisional offers.**
Institutions may choose to offer provisional or conditional places on the basis of the results of an examination lower than the one which determines final matriculation. This is the practice now followed by CUHK with those students admitted through its PAS scheme. These students are given provisional offers on the basis

of their HKCE results and then take H level or the FSA in order to matriculate. In future, whatever an institution's matriculation requirements may be, HKCE will be the only formal examination on which provisional or conditional offers can be based given that H levels are to be abolished and that I levels are to be introduced as two year courses.⁽⁸⁾ We recommend that the tertiary institutions, in consultation with the UPGC, give further consideration to the desirability or otherwise of provisional or conditional offers, once the more urgent recommendations in this chapter have been implemented.

3.30 **Appropriate minimum length of first degree courses.**

In addition to the obvious possibilities of three years, four years or the present mixture of three and four, there is the option of allowing a fourth year for a limited number of Honours degree students, with matriculation for all being after Secondary 7. This system, although operating satisfactorily in certain Commonwealth countries, would be difficult to introduce in Hong Kong given the historical background to our existing Honours degree programmes. It is clear that, whatever system is adopted, the tertiary institutions must be allowed to exercise their academic judgement in coming to a view on the appropriate length and content of their degree courses. Certain subjects will undoubtedly require longer than average course lengths : medicine and dentistry are obvious examples. We are of the view that the appropriate length of a degree course is best

⁽⁸⁾ Such offers could also in theory be based on school-based assessment or a combination of school-based assessment and HKCE results. It should be noted that the HKCE examination was not designed as a basis for entry into tertiary education.

determined by the institution concerned, subject to the existing procedures under which institutions approach the UPGC (see paragraph 3.50 below). We suggest that degree courses longer than three years continue to be permitted where this is education ally justified.

3.31 **Number of academic terms.** A possible modification of the three year first degree system employed by most of Hong Kong's tertiary institutions would involve increasing teaching time by one-third, by adding a fourth term to each academic year. This could provide an opportunity for raising academic standards, while avoiding major structural changes. We do not underestimate the practical difficulties of this option. But we recommend that institutions in which students need extra language or other tuition consider carefully the possibility of extending academic teaching time. As noted above (paragraph 3.16), we believe that the Government should provide additional resources for such tuition, where appropriate.

3.32 **Primary and secondary school structure.** In the event that a tertiary system involving matriculation after Secondary 6 were to be adopted, it would be necessary to re-structure the secondary and possibly the primary sector. We would regard this as an unacceptable alternative to the system of post-Secondary 7 matriculation which we have recommended in paragraph 3.27 above. Nevertheless, we have considered the relative advantages and disadvantages of the various alternative school structures. These are -

- (a) the "3+3" system. This is the alternative which has attracted most public attention. Three years junior secondary education would be followed by three senior forms. This is the system now followed in the USA, Japan and China. We specifically rejected it in ECR 2 (paragraphs VI.6.1 to VI.6.6);
- (b) the "4+2" system. Similar to the above, with the division between junior and senior coming after four years;
- (c) the "5+1" system. This would retain the present secondary school structure, except that Secondary 7 would be abolished. It might more accurately be described as a "3+2+1" system;
- (d) the "5+5+2" system. Under this system, children would receive one year less primary education. If they eventually went on to a four year tertiary course, the length of their education in total would be the same as it is now for students who pursue a three year course; and
- (e) sixth form colleges. Were a "3+3" or "5+1" system to be adopted, sixth form colleges might provide a means of accommodating students who wished to take A levels, either as a means of entry into an overseas institution or into the second year of any Hong Kong institution which preserved an A level entry stream.

The relative advantages and disadvantages of alternatives (a) to (d) above are listed at Annex F. The choice between them would be the choice of the lesser of evils.

Apart from the fact that none of these systems would be compatible with our preferred tertiary structure, they would all involve massive disruption to over one million pupils in one thousand schools. We believe that any restructuring of the primary and secondary sectors would be unacceptable.

3.33 **School starting age.** We have considered the possibility of reducing the school starting (and leaving) age by one year. This would in theory allow post-Secondary 7 matriculation in combination with four year first degree courses. We believe that the social and legal implications of lowering the school leaving age effectively rule this out as a possibility.

3.34 **Financial considerations and the number of degree places.** In considering different options for the tertiary sector, our main concerns must be educational and social. Nevertheless the financial consequences for the Government and therefore for the community must be considered too. Given finite resources, lengthening degree courses means fewer graduates. Looked at another way, where an institution moves from a three to a four year first degree course, student numbers need to be increased by one third to allow the same output of graduates. This has significant cost implications. We do not believe in sacrificing quality to quantity. But the fact cannot be avoided that the demand for tertiary places in Hong Kong still greatly exceeds the supply. In general, we recommend that where more resources for tertiary education are available, the first priority should be to increase the number of students entering tertiary institutions each year.

3.35 **Effects on recognition of qualifications.** Another factor to be taken into account in assessing the various options is the effect that each might have on local and international recognition of our tertiary education qualifications. In particular, it will be necessary to bear in mind the requirements of professional bodies in the UK to which Hong Kong graduates require admission. We believe that nothing should be done to compromise the recognition achieved by local institutions for their qualifications with institutions or professional bodies locally or overseas.

3.36 **Credit units.** We have considered various ways in which a system of credit units could be adopted in Hong Kong. Under such a system qualifications are awarded on the basis of the successful completion of a specified number of units of study, rather than on the passing of an examination. This permits a student to accumulate "credit units" from more than one institution. The advantage of a credit unit system is that it gives a student a greater range of subject options and more flexible timing. Were a credit unit system to be introduced among the institutions funded by the UPGC, it would also benefit co-ordination with the planned Open Learning Institute. The system would have no implications for the point of matriculation and would work equally well with any length of degree course. Credit could be given not only for courses attended at local or overseas institutions, but also for relevant working experience. We recognize that at some institutions course structures would lend themselves more immediately to the adoption of a credit unit system than at others. We recommend that further consideration should be given by the tertiary institutions and the UPGC to the adoption of a credit unit system, following implementation of the more urgent recommendations in this chapter.

3.37 **Introduction.** If all the factors described in the preceding section are taken into account, then there are many ways in which the tertiary sector could theoretically be structured. The Commission has considered 18 options, a full list of which is at Annex G. Of these, five may be regarded as representative and have attracted our particular attention. These are described below : references to the options in Annex G are given in footnotes.

3.38 **Option A : post-Secondary 7 matriculation with three year first degrees.**⁽⁹⁾ Under option A, all matriculation would be post-Secondary 7. Matriculation requirements would be based on A levels, in combination where appropriate with I levels. There would be a centralized admissions system, possibly with conditional places being offered on the basis of HKCE results. The basic length for all first degree courses would be three years.

3.39 **Analysis of option A.** This option has several educational advantages. It would achieve unity of matriculation point and would maintain the integrity of the two year sixth form. It would increase the flexibility of students' choice at sixth form level. Socially, there would be no adverse effect on the existing structure of the primary and secondary schools nor on recognition of qualifications. Financially, some savings would result from the reduction of present four year degree courses to three years. It would not allow tertiary institutions any flexibility, however, to increase course length where that was educationally desirable and financially possible.

⁽⁹⁾ Annex G option 2.

3.40 **Option B : post-Secondary 6 matriculation with four year degrees.**⁽¹⁰⁾ Option B envisages the matriculation point for all institutions being set at Secondary 6, with a four year basic degree. Admission would be on the basis of examinations or assessments made by the tertiary institutions, taking into account HKCE results. There would be a joint admissions system operating on the basis of firm places - ie no provisional or conditional offers. The secondary school and possibly primary school structure would have to be radically altered, perhaps to the so-called "3+3" system now in use in China.

3.41 **Analysis of option B.** Educationally, although this option would have the advantage of achieving a unified matriculation point, it would require the Government to abandon its policy of developing a two year integrated sixth-form. Socially too, this option would suffer from several drawbacks. The most serious would be the effect on the secondary and possibly primary school structures. As we have already emphasized, any of the alternative structures which have from time to time been proposed ("3+3", "4+2", "5+5+2" etc) would cause severe disruption (see paragraph 3.32 above and Annex F). Another disadvantage would be the difficulty which would be faced by students wishing to go to UK for further study. There would also be adverse consequences for the recognition of qualifications, both in Hong Kong and overseas. Finally, this option would involve significant additional expenditure (see further section H below).

3.42 **Option C : existing system with minor reform.**⁽¹¹⁾ We have considered the possibility of

⁽¹⁰⁾ Annex G option 6.

⁽¹¹⁾ Annex G, option 13.

leaving the present mixed tertiary structure untouched, accepting that the reforms of sixth form education arising from ECR 2 should reduce the disruption which the lack of a unified matriculation point causes. Under this option, students who entered Secondary 6 would embark on a selected combination of A and I levels. At the same time, they would apply to enter the tertiary sector on the basis of their HKCE results. If successful, they would be awarded a place conditional on satisfactory results being obtained in the FSA (in the case of CUHK) or in A and I level (in the case of the other institutions). A candidate who was awarded a conditional place in CUHK in addition to one or more other institutions and was then successful in the FSA would have to decide whether he wished to take up the place at CUHK or stay on until the end of Secondary 7.

3.43 **Analysis of option C.** Educationally, this option would still fall short of a unified system. Moreover there would still be a certain amount of disruption to the sixth form caused by students entering CUHK after Secondary 6. Option C would, however, with the last mentioned exception, achieve a unified sixth form un-interrupted by public examination. Socially and financially there would be no adverse consequences in comparison with the existing situation.

3.44 **Option D : post-Secondary 7 matriculation with variable degree lengths.**⁽¹²⁾ This option would involve the same sixth form and matriculation system as option A, but would not fix the length of degree courses rigidly at

⁽¹²⁾ Annex G, option 18.

three years. It would leave it open to the institutions to move to longer degree courses in particular faculties, provided that this could be justified to the UPGC on academic grounds.

3.45 **Analysis of option D.** Option D carries all the educational advantages of option A : it would provide a unified matriculation point and preserve a properly integrated two year sixth form. It would also allow for educational arguments to be advanced by the universities for increasing (or maintaining) the length of particular courses. Socially, it would involve the lengthening by one year of the total time spent in schooling for a small minority of students, but it would avoid any disruption to the school sector or to the recognition of existing qualifications. Financially, there would be the added expense of moving some existing three year courses to four years, although this would be to some extent balanced by reducing some existing four year courses to three.

3.46 **Option E : matriculation after Secondary 6 or Secondary 7, with four year basic degrees.**⁽¹³⁾ A possible compromise solution would be that of moving to a system which is based on post-Secondary 6 matriculation and four year degree courses, but allowing for a percentage of Secondary 7 graduates to be accepted into the second year of degree programmes.

3.47 **Analysis of option E.** This option was considered with extreme care by the Commission, which is aware of the desirability of finding a compromise which would be acceptable to all tertiary institutions. Few

⁽¹³⁾ Annex G, option 17.

arguments, however, could be found in its support. The main objection, referred to in paragraph 3.27 above, is that it would not be possible to sustain a tertiary system basically geared to post-Secondary 6 matriculation in addition to a two year sixth form. Apart from the high cost and the practical difficulties for the schools in running Secondary 7 under these circumstances, all pupils would clearly wish to obtain their tertiary places through the "normal" post-Secondary 6 mechanism. Those who failed to do so would not be those most likely to secure A level results good enough to justify a credit exemption at the end of Secondary 7. If a quota were to be ruthlessly imposed, the result would be not only the expensive preservation of Secondary 7 for the benefit of a minority, but also that those doing A levels in Secondary 7 would actually be academically weaker than the average matriculant. Such a system would be highly unpopular and would inevitably lead to a purely four year degree system such as that described in option B above.

Section G Preferred option

3.48 **Description.** Having carefully considered the options outlined in the preceding section, we have concluded that the best solution to the problems faced by both students and institutions as a result of the existing mixed system of post-Secondary 6 and post-Secondary 7 matriculation is offered by a system with the following features -

- (a) the length of any individual course should be determined, in accordance with educational requirements, by the tertiary institutions themselves, subject to the procedures referred to

in paragraph 3.50 below. "Educational" should, in this context, be interpreted to cover both academic and general educational needs;⁽¹⁴⁾

- (b) for matriculation to first degree programmes, the objective should be for all institutions to accept students after Secondary 7, following a two year⁽¹⁵⁾ sixth form course leading to A level or a combination of A and I levels;
- (c) for any UPGC-funded institutions which now accept students after Secondary 6, the above objective should be achieved over a phased timetable to be agreed between the institution concerned and the Government, on the advice of the UPGC;⁽¹⁶⁾
- (d) common admission procedures should be introduced by all UPGC-funded institutions;

⁽¹⁴⁾ This means that in theory, first degree course length could range from two to six years.

⁽¹⁵⁾ In addition, it is possible that, in some schools, a "slow stream" three year sixth form could be introduced.

⁽¹⁶⁾ We estimate that approximately six years should be sufficient for this purpose. This would allow time not only for necessary adjustments by tertiary institutions, but also for the extension of the two year sixth form to all secondary schools (chapter 2 above, paragraph 2.9).

- (e) the length of first degree courses at all institutions should in principle be the same for any given subject;⁽¹⁷⁾ and
- (f) the basis for admission to sub-degree courses should remain unchanged.

3.49 **Advantages of preferred option.** These features are essentially a refinement of Option D (paragraph 3.44 above). They offer all the educational advantages set out in paragraph 3.45 : there would be a unified matriculation point and a properly integrated two year sixth form. They would also provide scope for three year degree courses to become four years in length where this could be demonstrated to be educationally necessary.

3.50 **Implications for existing and planned courses.** The above system would have direct implications for the existing and planned courses at all five UPGC - funded institutions, as well as the HKUST. It would not, however, affect the existing procedures under which institutions have the autonomy to approach the UPGC with proposals. The UPGC would continue to use its own academic and financial criteria to judge individual cases in the light of Government policy prevailing at the time.

⁽¹⁷⁾ This recommendation would need to be interpreted carefully, taking into account the course content of programmes offered at different institutions, as well as the existence of "sandwich" courses at some institutions.

Section H Financial implications

3.51 **Difficulty of estimating financial implications.** The financial implications of introducing the tertiary structure proposed in paragraphs 3.48 to 3.50 above, or of the alternative options discussed in paragraphs 3.38 to 3.47 above, are impossible to quantify precisely. Any estimate must rely on several arbitrary assumptions; also, much depends on the way in which the option in question is implemented.

3.52 **Assumptions.** We have nevertheless arrived at a rough indication of the comparative cost of the five options. To do so, we have made the following assumptions for the purposes of calculation -

- (a) student numbers entering schools and tertiary institutions annually would remain as now projected by ED and the UPGC;
- (b) unit costs (ie the cost per student per year) for tertiary institutions would be unaffected by a change from four year to three year courses or vice-versa and would be the same for all years of study;
- (c) unit costs at the schools and the tertiary institutions would remain at 1986 levels and would be unaffected by variations in student population;
- (d) there would be no site constraints on the expansion of the tertiary institutions; and
- (e) there would be no implications for sub-degree programmes.

3.53 **Cost of major options.** On the above basis, option C would involve little or no change in present levels of expenditure. Option A (all three year degrees) would produce recurrent savings in the order of \$140 million per year. Option E, involving preservation of Secondary 7 and four year degree courses, would be the most expensive, with additional recurrent costs in the order of \$700 million per year or roughly 35% of the total tertiary education budget in 1986-87. The cost of option D, which we recommend and have explained in detail in section G above, would lie somewhere between these two extremes. The more four year courses, the nearer the cost of option D would approximate that of option E : the fewer four year courses, the more likely that savings would be produced. As the essence of our preferred option is that course length is to be justified on educational grounds, it is clearly not possible for us to be more specific about the likely cost of implementation. Option B (six years' secondary schooling followed by four year degree courses) would also be expensive but not as expensive as option E, because savings would result from the abolition of Secondary 7. The exact cost would depend on the alternative secondary school structure adopted. Our best estimate is an additional recurrent cost of between \$380 million and \$590 million per annum.

3.54 **Capital costs.** The additional capital expenditure involved in any of the possible options is even more difficult to estimate because it is hard to isolate the unit costs involved. Either of the options which include a universal four year degree system (ie options B and E) would clearly require heavy capital expenditure on the part of the tertiary institutions. One rough indication is that capital costs under these options could be in the region of \$770 million.

Chapter 4 The future of private schools in Hong Kong

Section A Background : present position of the private school sector

4.1 **Introduction.** This section describes the different types of private school operating in Hong Kong and notes the focus of the present study on secondary day schools.

4.2 **Types of private school in Hong Kong.** The private sector is active in all sub-tertiary educational sectors. The focus of our study is, however, the secondary day schools. Privately owned primary schools must also be dealt with. These cater for about 10% of the relevant age group and while their "market share" has fallen steadily over the last decade, they maintain a degree of popularity in the face of universal free provision in the public sector. At the secondary and post-secondary level, night schools and tutorial colleges provide examination-oriented tuition for working people seeking to make up for opportunities missed or denied during their school years. These colleges may be a suitable subject for a future study. We made recommendations on private sector kindergartens, which cater to nearly 90% of children in the three to five year age group, in chapter V of our Report No. 2.

4.3 **Types of private secondary school.** There are three types of private secondary school, namely -

- (a) non-profit-making private secondary schools are private secondary schools which are incorporated as non-profit-making bodies. They are eligible for grants of land at nominal premium for school buildings and receive indirect assistance from

the Government by way of rate refunds. Some also receive direct financial assistance. Since 1978, most of these schools have been converted by stages to fully aided status. In September 1987, there were 18 such schools left, comprising -

- (i) 10 per caput grant schools, which receive Government assistance in the form of a per capita grant and offer bought places in Secondary 1 to 7;
 - (ii) one assisted private school, which receives Government assistance in the form of Classroom Allowance and Teacher Allowance and also offers bought places in Secondary 1 to 7; and
 - (iii) seven other non-profit-making secondary schools in which places are bought in Secondary 1 to 3. Unlike the per caput grant schools and the assisted private school, they receive no direct Government assistance;
- (b) private independent secondary schools are entirely self-financed. In September 1987 there were 67 such schools : 42 with bought places in Secondary 1 to 3 and 25 without bought places; and
- (c) "international" schools are schools operated with curricula designed for the needs of a particular cultural, racial or linguistic group or for students wishing to pursue their studies overseas. Some of them have received help from the Government in the form of favourable land

grants, some are sponsored by their own governments and/or communities and some have received assistance from both quarters. There are 12 such schools at secondary level.⁽¹⁸⁾

4.4 **Classification by the Education Department (ED) of private independent secondary schools.** Private independent secondary schools⁽¹⁹⁾ in which the Government buys places are further divided by ED into three categories in terms of the quality of the places they provide. These are -

- (a) Category A - those with proper facilities and buildings, judged capable of providing education of a reasonable standard;
- (b) Category B - those which, although mostly housed in their own buildings, are not judged capable of fully providing education of a reasonable standard; and
- (c) Category C - those which provide less than satisfactory education and lack proper facilities and buildings.

⁽¹⁸⁾ Subsequent references in this paper to private schools should be understood to refer to both non-profit making private secondary schools and private independent secondary schools, and to exclude international schools, unless otherwise indicated.

⁽¹⁹⁾ And, also, the seven "other" non-profit-making secondary schools referred to in paragraph 4.3 (a) (iii) above.

4.5 **Phasing out of less satisfactory places.** Following the first two phases of an exercise to phase out the less satisfactory places bought from the private sector, Secondary I places will be bought only from non-profit making and Category A schools with effect from 1988. By 1990, those will be the only schools from which the Government buys places.

4.6 **The bought place scheme.** Reference has been made above to buying places from the private sector. It is necessary for the Government to do this because there are insufficient places in Government and aided schools to meet the demands placed on the system by the Government's obligation to provide free and compulsory education to all children under 15 up to Secondary 3 level and to achieve the policy targets for provision above that level. A total of 57,916 Secondary 1 to 3 places, representing 21.4% of the total number of publicly provided places and 92% of the total number of private school places⁽²⁰⁾ at that level, were bought by the Government in 1987-88. At Secondary 4 to 7 level, there are 5,042 bought places, representing 3.4% of total public and 10.5% of private provision.⁽²⁰⁾ This system of buying places from the private sector is known as the "bought place scheme" (BPS).

Section B Problems requiring study

4.7 **Introduction.** This section identifies the problems affecting private schools and refers to a study of these problems conducted by the Board of Education (B of E) in 1980.

⁽²⁰⁾ Including international schools.

4.8 **Lack of overall policy and defects in the BPS.** The BPS uses private schools to provide places which are not otherwise available in the Government and aided schools. Beyond this, the Government has not developed an overall policy towards private schools per se. Since the BPS began, in the early 1960's, successive White Papers on education have considered private schools largely in terms of the number of places needed to make up the shortfall in public sector⁽²¹⁾ places. The price which the Government is prepared to pay for such places has been controlled by the Director of Education (D of E) through the powers vested in him by the Education Ordinance. Historically, the effect of this has been to keep private school fees well below the cost to the Government of places at aided schools and to make BPS schools dependent on the scheme to provide cash flow. It has thus contributed to keeping the quality of BPS schools below that of Government and aided schools. These restrictions have applied equally to schools outside the scheme, which have been unable to raise their standards to a level which might attract students seeking an alternative to the public sector.

4.9 **Study by the B of E.** The B of E, in a study conducted in 1980, found the existing situation and status of private independent schools unacceptable. It recommended that these schools be permitted to raise their fees, at a rate higher than the rate of inflation, in order to help them improve their standards (a list of the Board's conclusions is at Annex H). The immediate outcome

⁽²¹⁾ "public sector" is used in this chapter to refer to Government and aided schools, together with bought places in BPS schools.

was limited - a 3% salary increase was permitted by D of E for private school teachers, although since then the controls have been further relaxed. Many of the Board's conclusions were also relevant to the non-profit making private schools.

4.10 **Comparison with private education overseas.** This situation partly accounts for an educational phenomenon which is, as far as is known, peculiar to Hong Kong. In most other developed countries, the private schools are the prestigious ones for those who can afford, or can obtain through academic merit, a better education than that provided by the Government. Here, private schools generally cater for those who fail to obtain a Government or aided school place in the Secondary School Place Allocation (SSPA) or Junior Secondary Education Assessment systems. Government and aided schools tend to be better, in many respects, than private ones. Exceptions are the international schools, which operate outside Hong Kong's domestic educational system.

4.11 **Different financial arrangements for different school categories.** In addition to the basic difficulties faced by all private schools, we have noted that the 18 non-profit making private secondary schools referred to in paragraph 4.3(a) above operate, for historical reasons, under three different financial arrangements. This is a confusing system which no longer serves a useful purpose.

4.12 **Summary.** The problems affecting private schools may thus be summarized -

- (a) there is no overall Government policy towards private schools, other than their use as a means to provide relatively cheap school places. The

potential educational benefits of a strong, independent private school sector have not been recognized;

- (b) the BPS is an unsatisfactory arrangement : to parents and students, because the places which the Government secures under the scheme are generally inferior to places in Government and aided schools : to the schools in it, because they become dependent financially upon an ad hoc arrangement which does not give them a permanent role in the education system;
- (c) partly because of fee controls, private schools have not had the opportunity to try to develop into a viable alternative to the public sector; and
- (d) the different financial arrangements for non-profit-making private schools (per caput, assisted private etc) are confusing and no longer serve a useful purpose.

Section C Progress of this study

4.13 **Introduction.** The purpose of this section is to describe how the present study was conducted and consultation undertaken.

4.14 **Formal meetings.** We began this study shortly after publication of ECR 2 in September 1986. Since then we have considered 13 discussion papers relating to the future of private schools at a total of 11 formal meetings. We first identified the problems described in section B above and formulated the general conclusions and recommendations set out in section D below. In respect of

our principal recommendations, we then worked out the more detailed proposals described in sections E to G below.

4.15 **Consultation.** The proposals in this chapter have been submitted to and take into account the views of the B of E. In addition, we have formally consulted the following school associations -

- (a) the Caput Schools Council;
- (b) the Hong Kong Association of Progressive Independent Secondary Schools Ltd;
- (c) the Hong Kong and Kowloon Chinese Schools Association Ltd;
- (d) the Hong Kong Private Schools Association Ltd; and
- (e) the Syndicate of English and Chinese Private Schools Ltd.

Section D The way forward

4.16 **Introduction.** This section sets out our general philosophy towards private schools and makes six specific recommendations, the most significant of which are further developed in the following sections.

4.17 **General philosophy.** Taking into account the views of the B of E and the representatives of the private school associations, we believe that the following principles should form the basis for any future private school policy -

- (a) it is desirable in Hong Kong's pluralistic society that there should be scope within the education system for privately operated schools;
- (b) instead of private schools being regarded simply as a convenient buffer against fluctuation in demand for school places, the educational benefits of a strong, independent private sector should be recognized;
- (c) the private school sector should, as far as possible, operate free of Government controls, in particular over fees, thus giving it the opportunity to evolve into a genuine alternative to the public sector;
- (d) when and where private schools are able to attain sufficiently high standards of operation, they should be counted as part of the long-term supply of school places. A 100% target for the public supply would not be then necessary. This would result in capital cost savings for the Government and a wider choice for parents. Before such high standards are reached, private schools should continue to be regarded as supplementary to the public supply; and
- (e) within the public sector, which includes bought places in private schools, there should, as far as possible, be only one standard of educational provision, although some schools may exceed that standard.

4.18 **Specific recommendations.** Based on the above principles, we make the six specific recommendations listed in the following paragraphs. Sections E to G of this chapter examine the more complex of these recommendations in more detail.

4.19 The BPS is unsatisfactory to all parties concerned and should in due course be abolished. Implementation of this recommendation will depend on the Government's ability to provide sufficient Government and aided places to meet its obligations in respect of junior secondary education and its policy targets in respect of Secondary 4 to 7 provision, as well as commitments already made to private school operators. The details of this recommendation are discussed in section E below.

4.20 Although we believe that the BPS itself should be abolished, we anticipate that the scheme will continue to exist for some years to come. When the scheme finally comes to an end, we hope that the former BPS schools will form the nucleus of a strong private sector with high educational standards. For this to be achieved, the standards of schools in the BPS should now be progressively raised to a level comparable with those in the aided sector. The implications of this recommendation are discussed in section F below. In addition to physical improvements, we also consider it desirable to improve the administration of the BPS by introducing fixed-term contracts under which the Government would guarantee to buy places from a particular school for a certain number of years.

4.21 Private schools not in the subsidized private school sector⁽²²⁾ should be free to set their own fees and should be subject only to minimal control under the Education Ordinance. The main reason usually put forward for controlling private school fees is the need to avoid

⁽²²⁾ For a definition of "subsidized private school sector", see paragraph 4.31 below. At present, the only schools in this sector are the BPS schools.

subsidizing profits. Also, in the past, inadequate public provision has required that fees at private schools be kept low. Under present circumstances, however, we believe that schools which are not subsidized by the Government should be free to charge whatever fees they wish. Market forces could be relied on to ensure that they offer good value for money by raising the standard of their services in line with the prices charged. By "minimal control" we mean that, at the same time, the schools would be free to vary their curricula, teaching methods, staff salaries, class sizes etc, while remaining subject to basic statutory controls relating to health and safety.

4.22 A new direct subsidy scheme (DSS) should be introduced for private schools which attain a sufficiently high educational standard. The concept of the DSS is of a scheme under which the Government can subsidize and encourage the growth of a strong private school sector, while allowing schools the maximum freedom with regard to curricula, fees and entrance requirements that is consistent with basic educational standards. Government support will vary depending on the number of pupils in the schools, that is, on the success of the schools in attracting parents. The DSS will not affect the Government's commitment to free and compulsory education, and no child will be compelled to attend a DSS school. Schools should be allowed to apply to join the DSS as soon as the scheme is approved and a mechanism for processing applications set up. This should be possible within 1989. The implementation of the DSS is discussed in more detail section G below.

4.23 The division of non-profit making private schools into various categories, viz per caput grant, assisted private and other non-profit-making secondary schools should be ended. If the recommendation in

paragraph 4.19 above is accepted, then this will be achieved when the Government no longer buys places from these schools. They would thereafter be able to become fully private, with no restriction on fees etc, if they had not already joined the DSS.

4.24 The present status of the international schools should be maintained. The international schools perform a useful role, not only by meeting the particular requirements of their own students, but also by adding diversity to the education system. International schools may be able to qualify for admission to the DSS (see paragraph 4.49 below).

Section E Abolition of the BPS

4.25 **Introduction.** This section explains how the recommendation to abolish the BPS (paragraph 4.19 above) should be implemented. We deal first with the timing of the abolition (paragraphs 4.26 and 4.27), then with the level of places to be maintained in the BPS during the remaining years of its existence (paragraphs 4.28 to 4.32), and finally with the effect of maintaining this level on the overall level of places in the public sector (paragraphs 4.33 and 4.34).

4.26 **Principles for phasing out the BPS.** We believe that the date chosen for the final abolition of the BPS should -

- (a) give the schools in the scheme adequate time to adjust to the prospect of becoming fully independent or of developing into DSS schools;
- (b) provide time for meaningful improvements to be carried out in the interim - both physical improvements to the schools in the scheme and improvements to the scheme's administration; and

- (c) allow time for the successful establishment of the DSS, which we hope will absorb at least the majority of schools in the BPS when the latter comes to an end.

4.27 With these objectives in view, we recommend that the phasing out of the BPS should be completed by the year 2000. The last places in Secondary 1 would then be bought in 1998, the last places in Secondary 2, 4 and 6 in 1999 and the last places in Secondary 3, 5 and 7 in 2000.

4.28 **Level of places in the BPS.** We recommend that, before the BPS comes to an end, the number of places bought should -

- (a) as far as possible remain constant at each basic level in the schools (ie Secondary 1, 4 and 6);
- (b) be sufficient for the schools to remain commercially and educationally viable; and
- (c) allow for those physical improvements to the schools which will have a significant effect on student numbers, in particular the introduction of unisessionalism.

4.29 **Present level of bought places.** As indicated in paragraph 4.6 above, there were 62,958 places in the bought place scheme in 1987, representing approximately 14% of the total secondary school demand. This figure includes places at the so-called "Category B" and "Category C" schools, most of which are of an inferior standard and from which the Government plans to stop buying places in 1990. Only 45,429, or 10% of the total demand, were bought from the better, "Category A" schools together with the non-profit making private schools.

4.30 **Effect of improvements on level of places.** It is the policy of the Government to encourage bisessional schools, whether primary or secondary, to switch to unisessional operation. One of the recommendations which we therefore make in section F below (on improvements to private schools) is for a switch by BPS schools to unisessional operation. This would reduce by nearly half the number of existing bought places. Other improvements, such as decreasing existing class sizes, would also have the effect of decreasing the number of places in the scheme. The cumulative effect of these measures would be to reduce the number of bought places to approximately 7% of total secondary provision.

4.31 **Proposed composition of subsidized private sector.** To compensate for this reduction in the number of bought places, and in line with our aim of strengthening the private sector as a whole, we suggest that new schools should be brought into the subsidized private sector where appropriate. Between now and the end of the BPS in 2000, the subsidized private sector should thus comprise -

- (a) existing Category A and non-profit making schools in the BPS (number of places equal to about 7% of total provision);
- (b) other private schools admitted to the BPS after having reached the required standard (no limit on number of places); and
- (c) schools admitted to the DSS (see section G below).

After the year 2000, the subsidized private school sector should be confined to (c) above, into which most of the schools in (a) and (b) should be absorbed.

4.32 **Consequences of proposals for level of places in BPS.**

We consider that the composition of the private school sector proposed above would -

- (a) be consistent with the Government's public commitment in September 1985 to buy private school places for the indefinite future;
- (b) should result in a level of private school provision which compares favourably with that in other developed countries;
- (c) would allow the continuation of all the existing better private schools, together with the addition of new schools to the subsidized private sector when appropriate; and
- (d) would widen parental choice.

4.33 **The problem of under- and over-provision.** Under the proposals in the preceding paragraphs, the exact number of subsidized private school places would depend on the number of schools which met the standards required by the BPS or DSS and the schools' wish to join these schemes. The private sector could no longer be used by the Government as a buffer against annual fluctuations in student numbers. This could lead to an overall under-supply or over-supply of secondary school places. Alternative buffers against fluctuations in demand are therefore necessary. One potential buffer is the maximum class size. This is now set at 40 (30 for sixth form). Allowing this to move within a range of 35 and 40, subject to regional demand, would help to accommodate annual fluctuations in demand. Potential over- or under-provision of places may also offer scope for adjusting the next phase of the school building

programme. Such adjustments would have to take into account the need to maintain a reasonable geographical distribution of secondary school places. A third method of dealing with variations in demand is available in the number of places in "floating" classes. It is not suggested that all floating classes could or should be eliminated. The difficulty of eliminating even a significant percentage of such classes is recognized, because they tend to be provided in areas where there is a regional shortfall. Consideration could, however, be given to reducing the number of floating classes in urban areas where there is regional surplus.

4.34 **Solution to the problem of over- or under-provision.**

In summary, we recommend that future variations in demand for secondary school places should be absorbed by a combination of -

- (a) adjusting the next phase of the school building programme;
- (b) allowing class size to vary as suggested in paragraph 4.33 above; and
- (c) reducing the number of floating classes in all those districts where the level of provision makes that possible.

Section F Improvement to the standards of private schools in the BPS

4.35 **Introduction.** This section explains in more detail our recommendation in paragraph 4.20 above that the standards of schools in the BPS should be progressively raised to aided school level. We consider first, specification of the existing standards for BPS schools (paragraph 4.36); second, an administrative mechanism for

monitoring improvements (paragraphs 4.37 to 4.39); third, the question of new schools entering the BPS (paragraphs 4.40 and 4.41) and finally, physical improvements to the schools (paragraphs 4.42 to 4.47).

4.36 **Publication of standards.** The Category A and non-profit-making schools are the better quality schools in the BPS and are the only schools from which the Government will buy places after 1989. There have been complaints from both the schools and from the public that the standards required of these schools are not published. The set of standards at Annex I are closely based on the criteria previously used by ED for admitting private schools to Category A status. All schools now in the BPS already conform to these standards. We recommend that these standards be accepted by the Government as the criteria for eligibility for admission or re-admission into the BPS.

4.37 **Maintenance and improvement of standards through contracts and a review committee.** To ensure that necessary improvements are carried out in a way flexible enough to meet the needs of individual schools, we recommend that the Government should negotiate contracts with each BPS school. These contracts should set out -

- (a) the standards to be reached by each school within the contract period;
- (b) the total number of places in the school and the number of places to be bought by the Government; and

- (c) the fees to be charged. These should be set at a level which would enable the required standards to be reached. In the case of profit-making schools, they would restrict profit to a reasonable level.⁽²³⁾

4.38 **Contracts.** We recommend that each contract should cover a five year period, with the first contracts being signed in 1989 to cover the period 1989-94. The contracts should be "rolled forward" each year, so that, for example, contracts would be signed in 1990 covering the period 1990-95. When rolling forward a contract, the number of places to be bought in the years covered by the previous contract should remain unchanged. Thus both the schools and ED would at any one time have a firm basis for planning for five years ahead. In negotiating school contracts it would be necessary to bear in mind -

- (a) that the objective is to raise the standard of all schools in the BPS to that of aided schools; and
- (b) that the rate at which improvements are carried out in each school should depend on the individual circumstances of that school.

4.39 **The review committee.** The proposed system of contracts could be administered entirely within ED. We consider, however, that it is desirable to provide a separate body which can focus exclusively on the improvement of the subsidized private school sector. We recommend that this body should be known as the Private Schools Review Committee (PSRC). The PSRC should comprise -

⁽²³⁾ 10% of expenditure is suggested as a maximum. This is the level of profit now allowed to BPS schools.

- (a) the Chairman of the B of E or his representative, as chairman;
- (b) two members selected from secondary schools, one from the Government and aided sector and one from the private sector;
- (c) a member of the public (eg a parent);
- (d) an educationalist or professional educator;
- (e) a representative of ED;
- (f) a representative of the Schools Division of the Education and Manpower Branch of the Government Secretariat; and
- (g) a representative of the Finance Branch of the Government Secretariat.

We recommend that the PSRC operate as an advisory body with a secretariat provided by ED. It should be responsible for advising D of E on all matters relating to schools in the BPS and in particular on the terms of the five year contracts.

4.40 **Changes to the list of schools in the BPS.** It is possible that, under the standards referred to in paragraph 4.36 above and Annex I, schools not now in the scheme will become eligible to join the BPS. These could include schools previously phased out of the BPS which have succeeded in improving their standards to the required level, or even new schools. The PSRC should be responsible for recommending to D of E the admission of any such schools to the BPS. In doing so, it would need to consider the implications for the planning of long-term public provision.

4.41 **Caveat for schools entering the BPS.** It would be necessary to ensure that any school admitted to the BPS was aware of the intention to phase out the scheme by the year 2000 as well as of the provisions of the proposed DSS (see section G below).

4.42 **Physical improvements to schools in the BPS.** As stated in paragraph 4.20 above, we believe that the standards of all schools in the BPS should be raised to the equivalent of aided school standards. The major improvements which will be required are described below. We recommend that these improvements be introduced through the system of contracts described in paragraphs 4.37 and 4.38 above. They should be achieved in all BPS schools by the time that the phasing out of the BPS begins.

4.43 **Unisessionalism.** As noted in paragraph 4.30 above, it is the policy of the Government to encourage bisessional schools, whether primary or secondary, to switch to unisessional operation. Taking into account the differences in situation between the schools, we recommend that the move to unisessionalism be completed in all or nearly all BPS schools by 1993.

4.44 **Teacher qualifications.** The ratio of graduate to non-graduate teachers in Government and aided schools is approximately 70 : 30. In BPS Category A schools these proportions are roughly reversed. Moreover, many of the non-graduate teachers in the BPS schools have had no formal teacher training. Through the contract system, ED and the PSRC should ensure that -

- (a) the proportion of graduate teachers in BPS schools is equivalent to that in aided schools;

- (b) teacher : class ratios in BPS schools are equivalent to those in aided schools;
- (c) as far as possible, BPS schools pay qualified teachers salaries equivalent to their counterparts in the Government and aided schools;
- (d) as far as possible, unqualified teachers remaining in the BPS schools are able to join the in-service courses for teacher training run by the colleges of education; and
- (e) laboratories are staffed by qualified laboratory technicians.

4.45 **Class structure.** The existing class structure of BPS schools varies considerably. A balanced class and age-group structure is necessary if the schools are to establish coherent identities and improve their public reputation. The standard "asymmetrical" Government or aided school has a "6664422" structure, ie there are six classes each in Secondary 1, 2 and 3; four classes each in Secondary 4 and 5 and two classes each in Secondary 6 and 7. Using this pattern as an ideal and taking into account individual schools' characteristics, improved class structures should be drawn up for all BPS schools. The speed with which the change is brought about in each school should depend on individual circumstances, but in any case should be complete before phasing out of the BPS begins. It should be noted that this improvement in class structure would result in the purchase of sixth form places for the first time from BPS schools, beginning in 1992.

4.46 **Class size.** The approved class size in aided schools is 40 in Secondary 1 to 5 and 30 in Secondary 6 to 7. Class sizes in BPS schools tend to be somewhat higher

(average 45 for Secondary 1 to 5). We recommend that class sizes in BPS schools should be reduced to the same maximum class size as schools in the Government and aided sector.

4.47 **Facilities.** The Code of Aid obliges aided schools to adhere to a variety of standards relating to the provision of facilities and school management. It is open to question whether standards for BPS schools should be laid down in such detail. Nevertheless we recommend that, through the contract system, ED and the PSRC should ensure that appropriate and practicable improvements are made in any given school.

Section G The DSS

4.48 **Introduction.** This section elaborates on the recommendation in paragraph 4.22 above that a DSS should be introduced for private schools which attain a sufficiently high educational standard. We consider in turn participation in the DSS, standards and curricula to be required of DSS schools, how students will be admitted, and how the DSS will be administered and financed.

4.49 **Participation.** In section F, we proposed a number of improvements to bring schools in the BPS up to aided school standards. Any private school which achieves those standards should be eligible to apply to join the DSS. All aided schools should be eligible to apply to join. International schools (see paragraph 4.3(c) above) should also be eligible, provided they likewise meet the proposed criteria.

4.50 **Applications to join the DSS.** We recommend that applications to join the DSS be made to D of E. The PSRC should advise D of E on the appropriateness of each application. In theory there would be no limit on the

number of eligible schools allowed to join the new scheme. In practice ED and the PSRC would need to monitor closely parental demand for DSS places and the implications of the expansion of the DSS on the demand for Government and aided places.

4.51 **Overlap between the BPS and DSS.** There would be a period of overlap, lasting from 1989 to 2000, in which the BPS and DSS would co-exist. This is important if the DSS is to be firmly established and to enjoy full public confidence by the end of that period. After 2000, the entire private subsidized school sector would be subsumed in the DSS.

4.52 **Possible extension of DSS to primary schools.** Depending on the success with which the DSS is implemented during its first years of operation, we recommend that the Government should consider in due course how the scheme might be extended to cover private primary schools.

4.53 **Standards to be required.** Any school admitted to the DSS would already be of roughly aided school standard. The standards which we recommend that a DSS school should thereafter be required to maintain are set out at Annex I. It should be emphasized that these are minimum standards. Parental choice would be a constant inducement to DSS schools to raise standards further.

4.54 **Curricula.** ED makes available to aided schools a variety of guidelines on curriculum. It is not proposed that DSS schools should be subject to any such guidelines. Parents should be free to choose whether the curriculum offered by a particular DSS school suits their children's needs. As a safeguard, we propose that every DSS school, as a condition of funding, be required to publish its curriculum in an annual prospectus (see

further paragraphs 4.58 and 4.59 below). As a further safeguard, the establishment of parent-teacher associations should be encouraged.

4.55 **Admission of students.** Parents should be free to apply to any DSS school for entry and schools should be allowed to select their own students. This is fundamental to the concept of an independent private sector. Administrative procedures for entry should be worked out in detail between the schools, the PSRC and ED. The basic system proposed, which is similar to that used by private primary schools, is described below. It should be noted that DSS schools would be free to select pupils on a territory-wide basis.

4.56 **Allocation of pupils.** Before each annual SSPA exercise, pupils should be interviewed and selected by the DSS schools. Once selected, the parents concerned should be asked to sign a piece of paper confirming that they gave up their claim to free junior secondary education. The pupils should then have their names deleted from the SSPA computer programme. The number of Government and aided places in each school net should be adjusted through appropriate changes in class size or the number of floating classes. The pupils remaining in the programme should be allocated in the normal way.

4.57 **Academic standards.** DSS schools will need a means of measuring the academic standard of their entrants. The results of the SSPA assessment could be made available to DSS schools to assist them in this respect.

4.58 **Administration of the DSS : annual prospectuses.**
Reference has been made to the annual

publication by DSS schools of prospectuses, in which details of the schools' curricula would be set out. We recommend that these prospectuses be vetted by the PSRC before issue. This would be a logical extension of the PSRC's proposed responsibility for advising on the admission of schools into the DSS (paragraph 4.50 above).

4.59 **Content of prospectuses.** The PSRC should ensure that the prospectus of each school included the following -

- (a) a statement by the PSRC that the school was maintaining the standards for the DSS set out in Annex J;
- (b) an adequate description of the school's curriculum, with an indication of any new items (see paragraph 4.54 above);
- (c) a summary of the academic results of the school over at least the preceding three year period in the DSS;
- (d) a description of the extra-curricular activities offered by the school; and
- (e) a statement of school fees and of the school's budget for the coming year.

4.60 **Financing of DSS schools.** We recommend that the basic principles for financing of DSS schools should be as follows -

- (a) the Government subsidy per pupil should not exceed the cost of an aided place;

- (b) there should be as little control over fee levels as possible;
- (c) the amount of Government subsidy should depend on the number of students enrolled (as opposed to the number of student places available);
- (d) excessive profiteering should be discouraged;
- (e) schools should be free to spend their grants for educational purposes, subject to inspection of their audited accounts⁽²⁴⁾ by ED and the PSRC; and
- (f) abuses by schools should result in loss of DSS status and subsidy. The PSRC would be able to formulate appropriate rules to define what would constitute "abuse" in this context.

4.61 **Method of financing DSS schools.** Given the above principles, we recommend that DSS schools be financed by a system of block grants assessed according to school fee income. The grant to a given school should equal the difference between the school's income from fees and the notional cost to the Government of an aided school with a similar number of pupils. Income from other sources, such as donations, should be excluded from the calculation. Schools with low fees would receive the full grant for each pupil : the schools with the highest income would receive a minimum of, say, 25% of the full grant (see paragraph 4.63 below). The PSRC should categorize the schools into income bands, each band being entitled to a particular level of subsidy.

⁽²⁴⁾ Together with any supporting documents which the PSRC may reasonably consider appropriate.

4.62 **Advantages of proposed system.** We have considered a variety of other financing options, but believe that this system would most nearly achieve the objectives set out in paragraph 4.60 above. It would be simple to administer and would discourage excessive profiteering without the need for an arbitrary profit control mechanism. The minimum Government subsidy of 25% of the notional cost of an aided place together with the exclusion of non-fee income from the grant calculation would give schools the scope to improve standards. Individual schools could still opt to charge very high fees and forgo most Government subsidy in order to attract a rich or specialized market. But the majority of schools in the DSS would, under this option, not evolve into "rich men's schools".

4.63 **The cost of a DSS place.** It will be necessary to devise a formula to determine the level of subsidy for DSS schools, based on the cost of aided places. We recommend that this formula should allow for -

- (a) all recurrent costs;
- (b) routine maintenance costs, up to a certain amount; and
- (c) the cost of replacement of furniture and equipment.

We also recommend that the Government consider the extent, if at all, to which capital costs incurred by DSS schools should be subsidized.

4.64 **Implications of DSS for provision of free and compulsory education.** We have considered carefully the

possibility that the DSS could be seen by critics as a derogation from the Government's commitment to free and compulsory education up to Secondary 3. We believe that the answer to this is simple : no parents would be obliged to send their child to a DSS school against their will. The Government would continue to guarantee free education for all. The DSS would mean a broadening of parental choice not a compulsion to pay fees. The question could also be raised : how will the Government be sure that there will be enough places in the Government and aided sector for those who wish to go there? Again, there is a straight-forward answer : the PSRC and ED will implement and carefully monitor the growth of the DSS. They will know at any one time the number of places in the DSS and the likely parental demand in coming years. ED will be in a position to adjust the planned provision of public sector places in response to any unexpected expansion or contraction of the DSS sector. We nevertheless recommend the following additional safeguards -

- (a) the Government should be allowed to allocate to DSS schools a certain percentage of their pupils through the SSPA in the event of an unanticipated shortfall in public provision, subject to adequate notice being given; and
- (b) every DSS school should be required to give adequate notice to the Government if it intends to leave the DSS or has to close down for any reason.

Section H Financial implications

4.65 It will inevitably cost more to raise the standards of the schools remaining in the BPS than to

continue using them as a buffer against fluctuations in demand and to maintain the existing level of financial assistance. We estimate that in 1990-91, the first year in which the proposed contract system would take full effect, the initial cost of raising teacher standards, improving physical facilities and moving toward unisessional operation would be about \$29 million. This figure would rise steadily toward a peak of \$187 million in 1993-94 and then fluctuate between \$43 million in 1996-97 and \$96 million in the final year of the scheme, 2000-2001. The total cost over the 13 year transition period would be slightly less than 3% of the total budget for secondary schools over the same period. These figures do not include any provision for capital costs. The extent, if at all, to which such costs should be subsidized will need to be considered by the Government.

4.66 It must also be born in mind that after their transition to the DSS, these schools would become part of the 100% supply of school places (paragraph 4.17(d) above). As such they could save the Government the capital cost of building new schools. For example, if the scheme were to comprise 20 schools, excluding former aided schools, the Government could save up to the cost of building 20 new schools at a cost of \$18 million each (1987-88 prices) - a total of \$360 million, offset to some extent by any capital improvements to the DSS schools themselves.

4.67 The recurrent cost of the DSS itself is difficult to estimate because this would depend not only on the number of schools in the scheme but also on their individual financial circumstances. We can only state with certainty that, under the method of financing the DSS schools recommended in paragraph 4.61, the cost of a DSS

place would range between the full cost and one quarter of the notional cost of an aided place. Assuming that the resulting average would be half the cost of an aided place, that the cost of an aided place was about \$8,570⁽²⁵⁾ (1987-88 prices), and that the DSS comprised at least 7% of the school population (paragraph 4.31(a)) then there could be savings in the order of \$137 million in 2000-2001. This assumes that savings are effected by reducing the number of operating classes rather than by reducing class size. We must stress that the figures in this and the preceding paragraphs are very approximate and will need to be revised when detailed estimates are prepared.

⁽²⁵⁾ Figure is for illustrative purposes only.

Chapter 5 Other matters considered

Section A Introduction

5.1 During the period since publication of our Report No. 2, a large number of educational issues have been referred to us for our views or information. This chapter summarizes our position on the most important of these issues, namely, grants of land to non-profit making schools (section B), shortfall of secondary school places in the New Territories (section C) and curriculum development (section D).

Section B Grants of land to non-profit making schools

5.2 **Present policy.** The present policy on grants of land to non-profit making schools has evolved over many years in the light of Executive Council decisions. The existing criteria are summarised in the Land Administration Policy Manual. If these criteria are fulfilled, then, subject to policy support for the particular application, a grant may be made by the Buildings and Lands Department.

5.3 **Primary and secondary schools.** The only criterion laid down is that the applicant must be an incorporated non-profit making body. The practice in recent years, however, has been to give support only to applications from the sponsoring bodies of aided schools in the School Building Programme which are to be located outside housing estates. (In the case of estate schools, title remains with the Housing Authority and the premises are leased to the operator at a nominal rent.) The purpose of this practice is to ensure that schools are

located where they are required and to provide a uniform standard of education at a standard cost to the public. We considered that the criteria should be amended to conform to the current practice.

5.4 **Kindergartens.** While there is no public sector provision of kindergartens, the current policy recognises that kindergarten facilities are desirable and provides for grants of land to non-profit making operators where suitable sites are available, normally but not necessarily in association with other facilities (eg churches, primary schools and social welfare institutions) and where provision would be of benefit to the locality. The practice has been to support applications only in cases of associate use because of shortage of suitable sites and because benefit to the local community is thereby maximised. The position with regard to child care centres is the same. We support the view that preference should continue to be given to facilities provided in association with other community uses.

5.5 **International schools : background.** Before the English Schools Foundation (ESF) was entrusted in 1979 with responsibility for provision of places for English-speaking children, land grants could be made to international schools which provided an English language stream. This was because at that time there was a need to increase the supply of such places.

5.6 **International schools : present position.** We believe that there is a case for assisting international schools in the wider economic interests of Hong Kong without reference to provision of additional places for English-speaking children. The size and number of overseas groups resident in the territory, and the part

which they play in our commercial and industrial life, have increased in recent years and are likely to continue to do so in future. The active participation of these groups in the economy is of major importance and the availability of appropriate education is likely to be a significant factor affecting willingness of overseas nationals to live and work here and therefore of overseas companies to invest in the territory.

5.7 **Effect on the ESF.** The absence of schools catering for the needs of these groups obliges the ESF to take on the burden of providing for children whose English may be very weak but who would not be able to function in local schools because of the language barrier.

5.8 **Proposals.** We accordingly considered that there should be policy provision for assistance, in the form of a grant of land on concessional terms, to operators who -

- (a) are proposing to provide, on a non-profit making basis, for the special educational requirements of a particular national, linguistic or cultural group, whose requirements could not be adequately met within the existing school system;
- (b) appear capable of achieving acceptable standards of management and operation; and
- (c) are able to generate a continuing demand for at least one 12 classroom school.

5.9 **Other measures to assist international schools.** The relevance which our proposals on private school policy may have for international schools has been noted in chapter 4 (paragraph 4.49) above.

5.10 **Government position.** We note that the Government, having considered our views, has decided that the existing practice should continue in respect of kindergartens, primary and secondary schools. Our observations on international schools were also endorsed on the condition that the operators of the schools adopt a non-discriminatory entry policy.

Section C Shortfall of secondary school places in the New Territories

5.11 **Introduction.** Since the early 1980's the population of the new towns in the New Territories has grown so rapidly that there are not enough secondary school places for the children living in them. Until recently, it was relatively easy to cope with this shortfall because school children could travel by rail to northern Kowloon where there was (and is) a large surplus of places. Unfortunately this practice has severely strained the capacity of public transport at peak hours. Population forecasts suggest that the shortfall is likely to persist, especially in Shatin. the Education Department (ED) has therefore proposed various measures to meet the shortfall without increasing the strain on the transport system.

5.12 **Measures taken by ED.** ED's measures, which were agreed in April 1987, are designed to ensure that as many new town children as possible receive places in local schools. The measures involve -

- (a) reducing the number of discretionary places;
- (b) introducing one or two additional junior secondary classes to existing and new schools;

- (c) advancing the completion date of new schools whenever possible;
- (d) advancing the opening of new schools in borrowed premises;
- (e) reprovisioning to the New Territories of schools in urban areas where there is a surplus of places; and
- (f) building seven additional secondary schools in Shatin.

5.13 **Monitoring of position.** ED's measures will mean that the position will improve considerably after 1990. Before that, some children will have to continue travelling to northern Kowloon and the added strain on the transport system will continue. This is unfortunate. However, we accept there are no obvious alternatives to the remedies proposed and that the difficulties are temporary. We have noted ED's proposals with approval and will maintain a close interest in their progress.

Section D Curriculum development

5.14 **Introduction.** In April 1987, we noted that proposals by ED for improving the system for developing school curricula had been endorsed by the Board of Education (B of E).

5.15 **Medium-term proposals endorsed by the B of E.** In the medium term, the B of E agreed that -

- (a) ED's Curriculum Development Committee should be restructured. A Curriculum Development Council should be established and co-ordinating

committees introduced for each level of education (kindergarten, primary, secondary and sixth form) and for textbook matters;

- (b) ED's Advisory Inspectorate should be strengthened and re-organized to serve the Curriculum Development Council and its co-ordinating committees and to co-ordinate curriculum development and research; and
- (c) a Curriculum Project Grant should be introduced to encourage more school-based curriculum development.

5.16 **Purpose of the medium-term proposals.** One of the principal intentions of these proposals is to move towards school-based development. Schools are free to adopt the Curriculum Development Committee syllabuses to suit their own needs but in practice tend to follow the syllabuses closely. This is not satisfactory because centrally devised syllabuses cannot meet the special needs of individual schools. The B of E therefore endorsed the introduction of a curriculum project grant scheme to encourage teachers to design syllabuses relevant to the special needs of their own pupils. The project materials devised in this way may be adopted by other schools and this should lead to a more flexible and more school-based curriculum.

5.17 **Long-term proposals.** The B of E deferred consideration of two alternative possibilities for the long term, pending the review of the medium term measures. These possibilities are that -

- (a) a completely independent body might be established for curriculum development with advisory input from various sources; or

- (b) the Hong Kong Examinations Authority might assume responsibility for curriculum development.

5.18 **Views of the Commission.** We support the B of E's view that ED should proceed with the medium-term proposals referred to in paragraph 5.15, subject to review in 1992. If the new arrangements prove satisfactory they could then become permanent. We also agree with the Board's decision to postpone consideration of the long-term measures described in paragraph 5.17. We have some reservations about alternative (b), since we believe that, as far as possible, educational policy in curriculum development should be separate from the examination process.

5.19 **Future study by the Commission.** We intend to examine the broader aspects of curriculum development in a future study (see chapter 6, paragraph 6.2). That study is likely to be concerned with the total curriculum rather than single subject, or syllabus, development. We may also examine the ways in which the universities might contribute to the development of school curricula by helping to direct and monitor programmes of curriculum research and development.

Chapter 6 Future tasks

6.1 **Introduction.** Since the publication of our Report No. 2, we have regularly reviewed our planned programme of work in order to establish priorities and to devise a strategy for future reports. As indicated in chapter 1, we propose in future to publish reports at frequent (perhaps six monthly) intervals, each dealing with a single educational topic.

6.2 **Subjects now under study.** We have already begun research and held preliminary discussions on the following educational topics

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- (a) curricula and behavioural problems in primary school and junior secondary classes;
- (b) education for high technology;
- (c) curriculum development;
- (d) civic education; and
- (e) the future organisation and role of the colleges of education.

We propose to publish monographs on each of the above subjects over the next two to three years.

6.3 **Other possible studies.** The following additional areas for consideration were suggested in paragraph XII.5 of ECR 2 -

- (a) special education;
- (b) professional education;

- (c) educational research; and
- (d) the future role of the Hong Kong Examinations Authority.

We intend to consider these subjects at some time in our future programme of work. Suggestions from the public for other individual topics would be welcome.

6.4 **Monitoring performance.** At the same time as undertaking new studies, we will continue to monitor the implementation of our previous recommendations by the Government and to include summaries of progress in our future reports.

Chapter 7 Summary of recommendations

A. The structure of tertiary education

- (1) The length of any individual first degree course should be determined, in accordance with educational requirements, by the tertiary institutions themselves, subject to the procedures referred to in paragraph 3.50. "Educational" should, in this context, be interpreted to cover both academic and general educational needs. [paragraph 3.48]
- (2) For matriculation to first degree programmes, the objective should be for all institutions to accept students after Secondary 7, following a two-year sixth form course leading to Advanced (A) level or a combination of A and Intermediate levels. [paragraph 3.48]
- (3) For any institutions funded by the University and Polytechnic Grants Committee (UPGC) which now accept students after Secondary 6, the above objective should be achieved over a phased timetable to be agreed between the institution concerned and the Government, on the advice of the UPGC. [paragraph 3.48]
- (4) Joint admission procedures should be introduced by all UPGC-funded institutions. [paragraph 3.48]
- (5) The length of first degree courses at all institutions should in principle be the same for any given subject. [paragraph 3.48]
- (6) The basis for admission to sub-degree courses should remain unchanged. [paragraph 3.48]

- (7) The Government should consider providing additional resources for the teaching of English at tertiary institutions, where this can be shown to be justified as a remedial measure. [paragraph 3.16]
- (8) Both schools and tertiary institutions should be invited to participate in the working group which will be set up to consider the reform of the sixth form curriculum arising out of our Report No. 2. [paragraph 3.17]
- (9) The tertiary institutions, in consultation with the UPGC, should give further consideration to the desirability or otherwise of provisional or conditional offers, following implementation of the more urgent recommendations in chapter 3. [paragraph 3.29]
- (10) Tertiary institutions in which students need extra language or other tuition should consider carefully the possibility of extending academic teaching time. [paragraph 3.31]
- (11) In general, where more resources for tertiary institutions are available, the first priority should be to increase the number of students entering tertiary education each year. [paragraph 3.34]
- (12) Further consideration should be given by the tertiary institutions and the UPGC to the adoption of a credit unit system, following implementation of the more urgent recommendations in chapter 3. [paragraph 3.36]

B. The future of private schools

- (13) The Bought Place Scheme (BPS) is unsatisfactory to all parties concerned and should in due course be abolished. [paragraph 4.19]
- (14) The phasing out of the BPS should be completed by the year 2000. The last places in Secondary 1 would then be bought in 1998, the last places in Secondary 2, 4 and 6 in 1999 and the last places in Secondary 3, 5 and 7 in 2000. [paragraph 4.27]
- (15) Before the BPS comes to an end, the number of places bought should -
- (a) as far as possible remain constant at each basic level in the schools (ie Secondary 1, 4 and 6);
 - (b) be sufficient for the schools to remain commercially and educationally viable; and
 - (c) allow for those physical improvements to the schools which will have a significant effect on student numbers, in particular the introduction of unisessionalism. [paragraph 4.28]
- (16) Between now and the end of the BPS in 2000, the subsidized private sector should comprise -
- (a) existing Category A and non-profit making schools in the BPS;
 - (b) other private schools admitted to the BPS after having reached the required standard; and

- (c) schools admitted to the DSS (see (34) below). [paragraph 4.31]
- (17) After the year 2000, the subsidized private school sector should be confined to (c) above, into which most of the schools in (a) and (b) should be absorbed. [paragraph 4.31]
- (18) Future variations in demand for secondary school places should be absorbed by a combination of -
 - (a) adjusting the next phase of the school building programme;
 - (b) allowing class size to vary as suggested in paragraph 4.33; and
 - (c) reducing the number of floating classes in all those districts where the level of provision makes that possible. [paragraph 4.34]
- (19) The standards of schools in the BPS should now be progressively raised to a level comparable with those in the aided sector. [paragraph 4.20]
- (20) The standards set out at Annex I should be accepted by the Government as the criteria for eligibility for admission or re-admission into the BPS. [paragraph 4.36]
- (21) The Government should negotiate contracts with each BPS school. These contracts should set out -
 - (a) the standards to be reached by each school within the contract period;

- (b) the total number of places in the school and the number of places to be bought by the Government; and
 - (c) the fees to be charged. These should be set at a level which would enable the required standards to be reached. In the case of profit-making schools, they would restrict profit to a reasonable level. [paragraph 4.37]
- (22) Each contract should cover a five year period, with the first contracts being signed in 1989 to cover the period 1989-94. The contract should be "rolled forward" each year. When rolling forward a contract, the number of places to be bought in the years covered by the previous contract should remain unchanged. [paragraph 4.38]
- (23) It is desirable to provide a separate body which can focus exclusively on the improvement of the subsidized private school sector. This body should be known as the Private Schools Review Committee (PSRC). [paragraph 4.39]
- (24) The PSRC should have the composition indicated in paragraph 4.39.
- (25) The PSRC should operate as an advisory body with a secretariat provided by the Education Department (ED). It should be responsible for advising the Director of Education (D of E) on all matters relating to schools in the BPS and in particular on the terms of the five year contracts. [paragraph 4.39]

- (26) The PSRC should be responsible for recommending to D of E the admission or readmission of schools to the BPS. [paragraph 4.40]
- (27) Improvements to BPS schools should be introduced through the system of contracts recommended at (21) above. They should be achieved in all BPS schools by the time that the phasing out of the BPS begins. [paragraph 4.42]
- (28) The move to unisessionalism should be completed in all or nearly all BPS schools by 1993. [paragraph 4.43]
- (29) ED and the PSRC should ensure that -
 - (a) the proportion of graduate teachers in BPS schools is equivalent to that in aided schools;
 - (b) teacher : class ratios in BPS schools are equivalent to those in aided schools;
 - (c) as far as possible, BPS schools pay qualified teachers salaries equivalent to their counterparts in the Government and aided schools;
 - (d) as far as possible, unqualified teachers remaining in the BPS schools are able to join the in-service courses for teacher training run by the colleges of education; and
 - (e) laboratories in BPS schools are staffed by qualified laboratory technicians. [paragraph 4.44]

- (30) Improved class structures should be drawn up for all BPS schools. The speed with which the change of class structure is brought about in each school should depend on individual circumstances, but in any case should be complete before phasing out of the BPS begins. [paragraph 4.45]
- (31) Class sizes in BPS schools should be reduced to the same maximum class size as schools in the Government and aided sector. [paragraph 4.46]
- (32) Through the contract system, ED and the PSRC should ensure that appropriate and practicable improvements to facilities and school management are made in any given BPS school. [paragraph 4.47]
- (33) Private schools not in the subsidized private school sector should be free to set their own fees and should be subject only to minimal control under the Education Ordinance. [paragraph 4.21]
- (34) A new direct subsidy scheme (DSS) should be introduced for private schools which attain a sufficiently high educational standard. [paragraph 4.22]
- (35) Any private school which achieves aided school standards should be eligible to apply to join the DSS. All aided schools should be eligible to apply to join. International schools should also be eligible. [paragraph 4.49]
- (36) Applications to join the DSS should be made to D of E. The PSRC should advise D of E on the appropriateness of each application. [paragraph 4.50]

- (37) The Government should consider in due course how the DSS might be extended to cover private primary schools. [paragraph 4.52]
- (38) DSS schools should be required to maintain the standards set out at Annex J. [paragraph 4.53]
- (39) Parents should be free to choose whether the curriculum offered by a particular DSS school suits their children's needs. [paragraph 4.54]
- (40) The establishment of parent-teacher associations at DSS schools should be encouraged. [paragraph 4.54]
- (41) Parents should be free to apply to any DSS school for entry and schools should be allowed to select their own students. Administrative procedures for entry should be worked out in detail between the schools, the PSRC and ED. [paragraph 4.55]
- (42) Before each annual Secondary School Place Allocation System (SSPA) exercise, pupils should be interviewed and selected by the DSS schools. Once selected, the parents concerned should be asked to sign a piece of paper confirming that they give up their claim to free junior secondary education. The pupils should then have their names deleted from the SSPA computer programme. The number of Government and aided places in each school net should be adjusted through appropriate changes in class size or the number of floating classes. The pupils remaining in the programme should be allocated in the normal way. [paragraph 4.56]

- (43) DSS schools should issue annual prospectuses, and these should be vetted by the PSRC before issue. [paragraph 4.58]
- (44) The PSRC should ensure that the prospectus of each DSS school include the following -
- (a) a statement by the PSRC that the school is maintaining the standards for the DSS set out in Annex J;
 - (b) an adequate description of the school's curriculum, with an indication of any new items;
 - (c) a summary of the academic results of the school over at least the preceding three year period in the DSS;
 - (d) a description of the extra-curricular activities offered by the school; and
 - (e) a statement of school fees and of the school's budget for the coming year. [paragraph 4.59]
- (45) The basic principles for financing of DSS schools should be as follows -
- (a) the Government subsidy per pupil should not exceed the cost of an aided place;
 - (b) there should be as little control over fee levels as possible;
 - (c) the amount of Government subsidy should depend on the number of students enrolled;

- (d) excessive profiteering should be discouraged;
 - (e) schools should be free to spend their grants for educational purposes, subject to inspection of their audited accounts by ED and the PSRC; and
 - (f) abuses by schools should result in loss of DSS status and subsidy. [paragraph 4.60]
- (46) DSS schools should be financed by a system of block grants assessed according to school fee income. The grant to a given school should equal the difference between the school's income from fees and the notional cost to the Government of an aided school with a similar number of pupils. Income from other sources, such as donations, should be excluded from the calculation. [paragraph 4.61]
- (47) The PSRC should categorize the schools into income bands, each band being entitled to a particular level of subsidy. [paragraph 4.61]
- (48) The formula for determining the level of subsidy for DSS schools should allow for -
- (a) all recurrent costs;
 - (b) routine maintenance costs, up to a certain amount; and
 - (c) the cost of replacement of furniture and equipment. [paragraph 4.63]

- (49) The Government should consider the extent, if at all, to which capital costs incurred by DSS schools should be subsidized. [paragraph 4.63]
- (50) The Government should be allowed to allocate to DSS schools a certain percentage of their pupils through the SSPA in the event of an unanticipated shortfall in public provision, subject to adequate notice being given. [paragraph 4.64]
- (51) Every DSS school should be required to give adequate notice to the Government if it intends to leave the DSS or has to close down for any reason. [paragraph 4.64]
- (52) The division of non-profit making private schools into various categories, viz per caput grant, assisted private and other non-profit-making secondary schools should be ended. [paragraph 4.23]
- (53) The present status of the international schools should be maintained. [paragraph 4.24]

Membership of the Education Commission

Upon the expiry of its second term of office, the Commission was re-appointed for the period 1 April 1987 to 31 March 1988 and again for the period 1 April 1988 to 31 December 1988. Its membership since 1 April 1987 has been as follows -

Chairman - Dr the Honourable Q W LEE, CBE, JP

Vice-Chairman - Secretary for Education and Manpower
(the Honourable R G B Bridge, OBE, JP)

Ex officio - Chairman of the Board of Education

Members (the Honourable Peter C WONG, CBE, JP : 1 April 1987 - 30 June 1987; the Honourable Rita FAN HSU Lai-tai, OBE, JP : from 1 July 1987)

Chairman of the University and Polytechnic Grants Committee (the Honourable John Swaine , CBE, QC, JP)

Chairman of the Vocational Training Council (the Honourable CHAN Kam-chuen, OBE, JP)

Director of Education (Mr Y T LI, JP)

Deputy Financial Secretary (Mr J F Yaxley, JP)

Members - Miss Kathleen Barker, MBE, JP

Mr LAU Wah-sum, JP

Mr Peter LEE Shung-tak

Professor Brian Lofts, OBE, JP

The Honourable Maria TAM Wai-chu, OBE, JP

Mr Brian Tisdall, JP

The Honourable Peter C WONG, CBE, JP (since 1 July 1987)

Dr Raymond WU Wai-yung, JP

The Honourable YEUNG Po-kwan, OBE, CPM, JP

Secretary - Principal Assistant Secretary for Education and Manpower (ex officio)

2. Mr Y T LI was appointed Director of Education from 9 February 1987 and replaced Mr Michael LEUNG as an ex officio Member of the Commission.

3. Mr LAU Wah-sum was appointed a Member of the Commission with effect from 28 January 1987 with a view to assist the Commission in the increasingly important financial aspects of its work.

4. The Honourable Mrs Rita FAN HSU Lai-tai was appointed Chairman of the Board of Education from 1 July 1987 and replaced the Honourable Peter C WONG as an ex officio Member of the Commission. The Honourable Peter C WONG was appointed a Member of the Commission ad personam with effect from the same date.

5. As a result of the above two appointments, the membership of the Commission has been expanded to sixteen.

6. During the period of writing this report, the following served as temporary ex officio members of the Commission -

- (a) Mr M Pagliari acted as Secretary for Education and Manpower in place of the Honourable R G B Bridge, and thus as the Vice-Chairman of the Commission during the periods 11 April to 19 April 1987 and 17 May to 16 July 1987;
- (b) Mr B G Jenney acted as Deputy Financial Secretary in place of Mr J F Yaxley and thus as an ex officio Member of the Commission from 15 April to 27 April 1987, 8 August to 27 September 1987 and 5 March to 12 March 1988;
- (c) Mr D H T LAN acted as Director of Education in place of Mr Y T LI and thus as an ex officio Member of the Commission from 8 August to 19 September 1987; and
- (d) Mr Dominic S W WONG acted as Secretary for Education and Manpower in place of the Honourable R G B Bridge, and thus as the Vice-Chairman of the Commission during the periods 3 February to 20 February 1988 and 1 April to 11 April 1988.

List of institutions and associations
formally consulted and submissions received
in the preparation of Report No. 3

(1) Chapter 3 : The structure of tertiary education

(a) Institutions formally consulted -

The Chinese University of Hong Kong

The City Polytechnic of Hong Kong

The Hong Kong Baptist College

The Hong Kong Polytechnic

The University of Hong Kong

(b) Written submissions received from -

The Hong Kong Subsidized Secondary Schools Council

The Hong Kong University Students Union and the Chinese University of Hong Kong Students Union

(2) Chapter 4 : The Future of private schools in Hong Kong

(a) Associations formally consulted -

The Caput Schools Council

The Hong Kong Association of Progressive Independent Secondary Schools Ltd

The Hong Kong and Kowloon Private Chinese School Association Ltd

The Hong Kong Private Schools Association Ltd

The Syndicate of English and Chinese Private Schools Ltd

(b) Written submissions received from -

Education Action Group

The Hong Kong Council of Early Childhood Education Services

The Hong Kong Federation of Education Workers

The Hong Kong Private Anglo-Chinese Schools Association

The Professional Teachers Union

The Principal, Pui Kiu Middle School

The Principal, Tak Yan School

Terms of reference
of the Education Commission

The terms of reference of the Commission are as follows -

- (a) to define overall educational objectives, formulate education policy, and recommend priorities for implementation having regard to resources available;
- (b) to co-ordinate and monitor the planning and development of education at all levels; and
- (c) to initiate educational research.

2. In carrying out these tasks, the Commission is to co-ordinate but not seek to direct the work of the Board of Education, the University and Polytechnic Grants Committee and the Vocational Training Council.

Hong Kong students proceeding to local tertiary education (1987-88)A. Three year (or longer) degree courses ⁽²⁶⁾

	<u>Institution</u>	<u>Annual intake</u>	<u>Secondary school exit point/matriculation requirement</u>
a.	University of Hong Kong (HKU)	1,907	Secondary (S) 7/ Advanced (A) level
b.	Hong Kong Polytechnic (HKP)	854	S7/A level
c.	City Polytechnic of Hong Kong (CPHK)	646	S7/A level
d.	Hong Kong Baptist College (HKBC)	582	S7/A level
	Total	3,989	

B. Four year (or longer) degree courses ⁽²⁷⁾

	<u>Institution</u>	<u>Annual intake</u>	<u>Secondary school exit point/matriculation requirement</u>
	Chinese University of Hong Kong (CUHK)	1,470	S6, S7/Higher level, A level, Hong Kong Certificate of Education (HKCE), Provisional Acceptance Scheme/Final Scholastic Assessment
	Total	1,470	

⁽²⁶⁾ ie courses with basic matriculation requirement at A level or equivalent.

⁽²⁷⁾ ie courses with basic matriculation requirement at S6 exit or equivalent.

C. Full time post-secondary and tertiary non-degree courses

<u>Institution</u>	<u>Annual intake</u>
<u>[I HKCE entry]</u>	
a. HKP	600
b. CPHK	171
c. HKBC	37
d. Colleges of education	80
Total	888
<u>[II A level entry]</u>	
a. HKP	2,034
b. CPHK	472
c. HKBC	413
d. Shue Yan College	776
e. Lingnan College	384
f. Colleges of education	793
Total	4,872
<u>[III post-S6 entry]⁽²⁸⁾</u>	
a. Shue Yan College	490
b. Colleges of education	88
Total	578

⁽²⁸⁾ ie with a specific requirement for H level or S6 completion.

<u>Institution</u>	<u>Annual intake</u>
<u>[IV others]</u>	
a. HKP	29
b. CPHK	5
c. Shue Yan College	61
d. Lingnan College	238
Total	333

<u>[V Total number of students proceeding to tertiary education]</u>	
a. Degree	5,459
b. Non-degree	6,671
Total	12,130

Measures taken by the Government to improve
English standards in primary and secondary schools

- (1) The establishment of an Institute of Language in Education (ILE) to raise the quality of language teaching in schools through in-service training of teachers and research. ILE courses also include some total immersion language training in the UK for local English teachers.
- (2) The recruitment of expatriate lecturers of English for the colleges of education and the ILE.
- (3) The provision of extra teachers in secondary schools for remedial language teaching in recognition of the wider range of students' ability and aptitude.
- (4) The revision of syllabuses to encourage the communicative use of the language.
- (5) The installation of wire-free induction loop systems to offer primary and secondary schools more opportunities for listening to good models of spoken English.
- (6) Support for class libraries in primary schools.
- (7) The introduction by the Hong Kong Examinations Authority in 1986 of a listening test for the English Language.
- (8) Research into the effects of language of instruction on educational attainment.
- (9) The introduction of a pilot scheme for the employment of expatriate teachers of English in secondary schools.
- (10) The provision of additional resources to strengthen the teaching of English in those schools moving towards the use of Chinese as the medium of instruction, in order to avert any consequential drop in the standard of English due to reduced exposure.
- (11) The dissemination of information to secondary schools on the English proficiency of their Secondary 1 entrants in order to assist them in grouping students.
- (12) The distribution of handbooks prepared by the Education Department on technical terms in both English and Chinese for the various subjects taught in secondary schools.

Assessment of educational effects
of introducing a "3+3", "5+1", "4+2" or "5+5+2" school system

I. The "3+3" system

A. Advantages

1. All Secondary 5 students could continue their studies in Secondary 6, albeit a Secondary 6 different in concept from that at present.
2. Students would in future only need to sit for one public examination during their secondary education.

B. Disadvantages

1. At present, about one-third of Secondary 5 students are eligible to continue their studies for a further two years in Secondary 6 and 7. During this period they are prepared for entrance to tertiary institutions and are given time to mature and to develop intellectual and critical skills. However, in the "3+3" system, there would be no analogous "sixth form".
2. The internationally recognised Advanced (A) level qualification would have no place in a "3+3" system and students' entry to overseas universities offering three year first degree courses would become more difficult than at present.
3. The present Hong Kong Certificate of Education (HKCE) is a valuable attainment test, which has achieved widespread recognition. If introducing a "3+3" system were to mean that the present HKCE was simply deferred for a year, then that would mean that students were held back for one year with no compensating advantages.
4. Alternatively, introducing a "3+3" system might mean replacing the HKCE with a new senior secondary examination to serve both as a means of selection for higher education as well as a general attainment test. The problem here would be the difficulty of devising a satisfactory curriculum and examination which, whilst

selecting the best students for specialized studies, would also allow average students to gain respectable academic qualifications in a suitably broad field of studies.

5. Students would be required to complete six years of secondary education to gain an academic qualification. This would result in a higher drop-out rate and mean that more students would leave school without any formal qualifications.
6. Major disruption would be caused by the introduction of new curricula and associated teaching materials.

II. The "5+1" system

A. Advantages

1. The HKCE as an internationally recognised and valuable attainment test would be retained.
2. Five years of secondary education would remain the norm for the majority.
3. The classrooms and facilities released by the abolition of Secondary 7 would facilitate the introduction of new subjects in the secondary school curriculum and would reduce the degree of flotation in schools.

B. Disadvantages

1. If Secondary 7 classes are no longer operated, A level courses would no longer be offered in public sector schools. As a result many students seeking entrance to universities overseas, particularly in the UK, would be seriously disadvantaged.
2. The "sixth form" course would be conducted in Secondary 6 only. It is doubtful whether this one year after Secondary 5 would be long enough for students to progress significantly in academic attainment or mature through well-balanced involvement in extra-curricular activities.
3. The abolition of Secondary 7 classes would result in four teachers becoming redundant in each standard secondary school (teacher to class ratio of Secondary 7 is 2 : 1).

4. The abolition of A levels would have serious effects on the recognition accorded to Hong Kong qualifications by overseas professional bodies.

III. The "4+2" system

A. Advantage

A two-year "sixth-form" structure would exist although this would not be directly comparable with the present Secondary 6 and 7.

B. Disadvantages

1. As the "4+2" system would reduce the length of secondary education by one year, it would mean that both a new "HKCE" and a new "A level" examination, both measuring attainment at a lower level, would have to be devised and appropriate recognition for them sought.
2. The system of free and compulsory education would almost certainly have to be extended from nine to ten years. Such a change might well bring with it the curricular, behavioural and discipline problems which have been experienced elsewhere and for which satisfactory solutions have yet to be found.
3. The school curriculum and examination syllabus for Secondary 1 to Secondary 4 would be seriously disrupted.
4. The introduction of a "4+2" system might result in pressures to re-structure the primary schools. Five years of primary education, five years of secondary and two years of Secondary 6 might well be regarded by some as preferable to a six year primary and a "4+2" secondary system. This alternative is examined in section IV below.

IV. The "5+5+2" system

A. Advantages

1. The "5+2" system in secondary schools could be maintained.
2. Class sizes could be reduced in primary schools.
3. Assuming class sizes were not reduced, standard primary schools could operate fewer classes. The release of the classrooms now occupied by Primary 6 classes would -

(a) facilitate the introduction of new subjects in the primary school curriculum; and

(b) provide additional accommodation for remedial teaching in existing schools.

B. Disadvantages

1. The aim of primary education is to promote the personal, social, intellectual, physical and aesthetic development of pupils of primary school age, thus laying for them a solid foundation for future enhancement of these qualities at the secondary level. The present primary curriculum is designed to achieve this aim. Any change in the length of the primary course would require a restructuring of the curriculum and it might not be possible to achieve the stated aim within the framework of a five year primary course.
2. The present relationship between primary and junior secondary education would be distorted, making necessary a complete review of the core curriculum not only at primary level but also at junior secondary level.
3. The law at present requires children under 15 to attend school. The existing core curriculum is designed to achieve its objectives within this nine year period of compulsory education. If the length of the primary school course is reduced by one year then logically the period of compulsory education should be extended to the end of Secondary 4 so as to meet the present curriculum objectives and to keep children in school until they are 15. This would distort the unity of the existing Secondary 4 to Secondary 5 curriculum leading to the HKCE and would probably lead to a system of ten years of free and compulsory education. This would involve the type of behavioural, discipline, and curriculum problems referred to above in connection with the "4+2" system. The alternative of reducing the period of compulsory education to eight years would require a change in the law. Such a reduction would be seen by many as a retrograde and unacceptable step.
4. There would be serious implementation problems. Two cohorts would enter Secondary 1 in the first year of implementation, namely the then current Primary 5 and Primary 6 classes. The accommodation and staffing problems thus caused would persist for five years.

Options for structure of tertiary education discussed by the Education Commission

<u>Option No.</u>	<u>Option</u>
1	three year system with one year Intermediate (I) levels as originally proposed in Report No. 2 (ECR 2)
2	three year system with "revised" two year I level
3	three year system with credit units
4	three year system with twelve academic terms
5	three year system plus extra one year for honours degrees
6	four year system
7	four year system with advance in school leaving age of one year
8	four year system with switch in sub-degree courses to technical institutes
9	four year system with credit units
10	four year system with some first year exemptions for Advanced (A) level holders
11	present system
12	mixed three/four year system with sixth form as proposed in ECR 2
13	mixed system with ECR 2 sixth form reforms but revised two year I level
14	mixed system with some first year exemptions for A level holders
15	three year system with sixth form college for Chinese University of Hong Kong entrants

- 16 mixed system with "4+2" secondary school structure and advance of school starting age
- 17 four year system with fixed proportion of A level entrants
- 18 mixed system with post A level matriculation

Conclusions of the Board of Education in 1980 discussion of private schools

1. In the context of universal, free, compulsory junior secondary education, the Government should provide a public sector place for all; and should provide equitable standards in the "universe" within which universal provision is made, including public sector places, aided places and bought places.
2. The Government should either dispense with all bought places by building more public sector schools, or face up to the fact that it needs bought places for the predictable future and should therefore subsidize these places to the same extent as public sector places.
3. The Government should help private independent schools to improve their standards with a view to their attaining standards comparable to those of their counterparts in the aided (public) sector.
4. The survival of private independent schools is at stake. Bearing in mind the 75% difference in the relative costs of aided and private sector places, it is clear that the difference ought to be met if places in the public and private schools are to be comparable.
5. In a healthy system of education, there should be a truly viable private sector alongside the aided (public) sector as in the United Kingdom where private schools are more prestigious than other types of school.
6. The Government's policy towards private schools has been dominated by financial considerations; educational considerations are equally important.
7. The Government should not regard possible surplus of places in secondary schools as potential waste. In other words, if all children of compulsory school age are ultimately provided with public secondary school places, places provided by private school places should not be construed as wasteful. Similarly, the eventual survival of private schools beyond the need for bought places should not be discouraged. The survival of private schools should be seen as an opportunity of raising educational standards by reducing class sizes in the public sector.

8. The Government is saving money by buying places in private schools because otherwise it would have to build new aided schools. In view of this large capital saving, the Government can afford the additional recurrent costs necessary to absorb fee increases in private independent schools.

Standards required for admission to the Bought Place Scheme (BPS)

Admission to the BPS is subject to regional demand : places will only be bought from schools which are situated in regions where additional provision is needed. Schools which satisfy this fundamental requirement may be considered for admission (or re-admission) to the BPS provided that the Director of Education (D of E) and the Private Schools Review Committee (PSRC) are satisfied that they meet the criteria set out below. Schools admitted to the BPS will be required gradually to raise their standards to the level required of aided schools (as described in paragraphs 4.42 to 4.47) so that they may be eligible for admission to the Direct Subsidy Scheme.

1. Premises

The school premises should be -

- (a) purpose-built and preferably free standing;
- (b) either self-owned or rented with a tenancy of five or more years; and
- (c) in good physical condition.

2. Mode of operation

The school should be prepared to operate unisessionally, if necessary by stages.

3. Class organisation

- (a) there should be 15 classes or more;
- (b) the operation of sixth form classes is preferred, though not mandatory; and
- (c) if the class structure is asymmetrical, the number of junior secondary, senior secondary and sixth form classes should be in the ratio of 3 : 2 : 1.

4. Class size

The maximum class size is 45 for Secondary 1 to Secondary 5 and 35 for Secondary 6 and Secondary 7.

5. Facilities

- (a) there should be sufficient classrooms to support the proposed class organisation (with no more than 20% flotation). For a 15 class school there should be six special rooms. However a minimum of four special rooms is acceptable provided that there is potential for the conversion of spare accommodation into two additional special rooms;
- (b) for larger schools with 30 classes or more, there should initially be a minimum of six special rooms with potential for conversion of spare accommodation into additional special rooms to make up a total of 12;
- (c) all classrooms and special rooms should be suitably and adequately equipped; and
- (d) ancillary facilities such as assembly hall/gymnasium, covered/open playground and medical inspection room should be provided wherever possible.

6. Staffing

- (a) at least 90% of the teachers should be employed on a full time basis;
- (b) the Principal and at least 50% of the teaching staff should be registered teachers;
- (c) the Principal should be the graduate of a local university or equivalent;
- (d) there should, if necessary after an appropriate transitional period, be at least 1.3 teachers per operating class;
- (e) the proportion of recognised graduate teachers should not fall below 40%; and
- (f) all laboratories should be staffed by qualified laboratory technicians.

7. Curriculum

A well balanced curriculum should be offered. Pupils, as well as studying the basic subjects of languages, mathematics, science and humanities, should be able to take at least one practical or technical subject. Opportunities should be provided for students to

participate in cultural activities, such as art and music, and in physical education. There should also be a variety of extra-curricular activities such as interest groups or clubs, sports and pastimes and community services.

8. Management performance

The management of any school in the BPS must ensure that its school is efficiently administered and complies with statutory obligations. The management is also responsible for developing and maintaining school discipline and morale. In considering applications for admission, D of E and the PSRC will wish to be satisfied that -

- (a) the candidate school complies with the requirements of the Education Ordinance and regulations and with the Code of Practice relating to the sale of textbooks, exercise books, school uniforms and other accessories;
- (b) the internal management structure of the school, the maintenance of records and the conduct of routine business with the Education Department are satisfactory;
- (c) there is a strong and positive school ethos, evidenced by sound discipline and high morale amongst both staff and pupils; and
- (d) the school is well thought of by its client public. This may be assessed by monitoring the school's ability to retain its pupils and the frequency with which any complaints against the school are substantiated.

Standards which Direct Subsidy Scheme schools will be required to maintain

1. Mode of operation should be unisessional.
2. Class size should not exceed -
 - (a) 40 pupils (for Secondary 1 to 5); and
 - (b) 30 pupils (for Secondary 6 and 7).
3. Teachers should be qualified teachers registered with the Education Department (ED).
4. The teacher to class ratio should be, at a minimum, 1.3 teachers per class for Secondary 1 to 5 and two teachers per class for Secondary 6 and 7, or such alternative ratio as the Private Schools Review Committee (PSRC) and ED may find appropriate.
5. Ratio of graduate to non-graduate teachers should be either -
 - (a) at least 7:3; or
 - (b) such alternative ratio as the PSRC and ED may find appropriate.
6. Facilities and staffing should be such as the PSRC and ED may find appropriate.