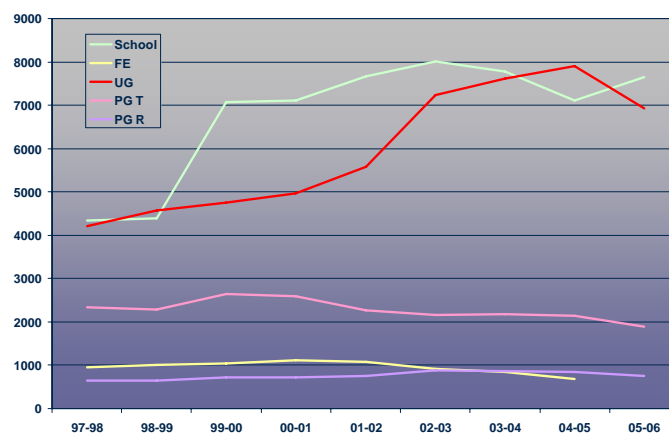


Hong Kong Country Partnership Meeting

Welcome!



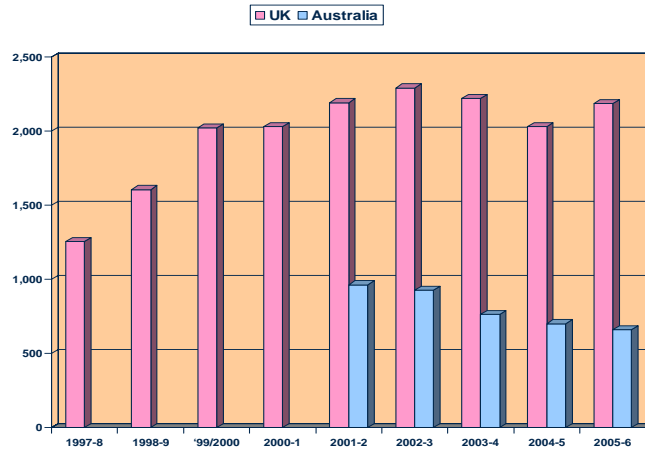
Hong Kong students in the UK by sector



Source: HESA, FEFC, ISC



New starters at independent schools 1997-2005



Source: Independent Schools Council, Australian Government

Access to HK A-level and HK diploma

HK A-level:

- Qualified students: 47,100
- Public sector places: 25,000

Shortfall: 22,100

HK diploma:

Places for All



The new 'local' independent sector

Direct Subsidy Scheme Schools

- Include traditional private and elite schools, plus new schools
- Capital + recurrent funding
- Can charge fees
- Must offer local curriculum
- Can also offer alternatives
- Several adopting IB

Private Independent Schools

- Capital and land grants
- Charge fees
- Freedom to choose curriculum
- Most offering IB
- Not very different from international/ESF schools
 - Except under local management and targeted at local students

The IB blurs the lines between local and international schools

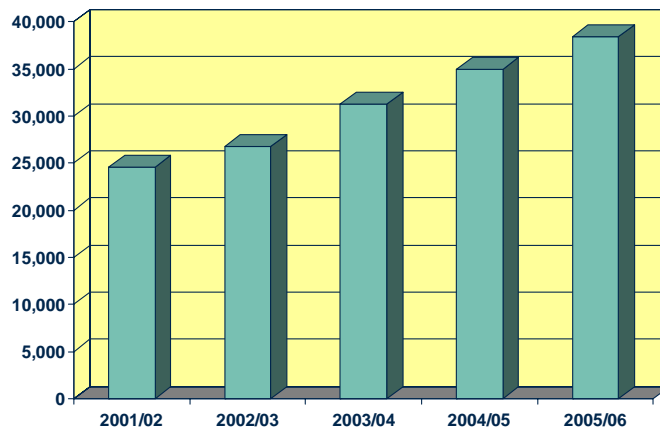
The Hong Kong stereotype



Classroom of the future



Number of students in DSS secondary schools 2001/02-2005/06



Source: EMB



HK A-level vs GCE A-level

HK A-level

A grades:

2.9% (top 10 subjects)

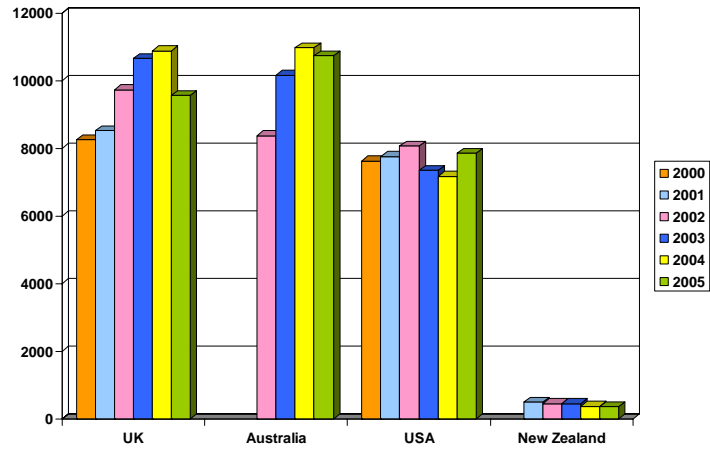
4% (all subjects)

GCE A-level

A grades:

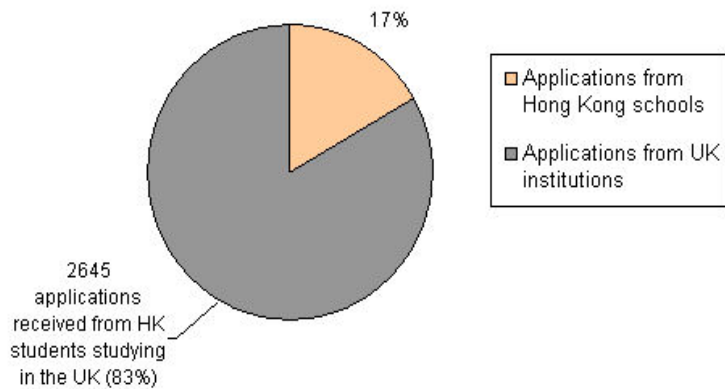
24%

Higher Education - The competition



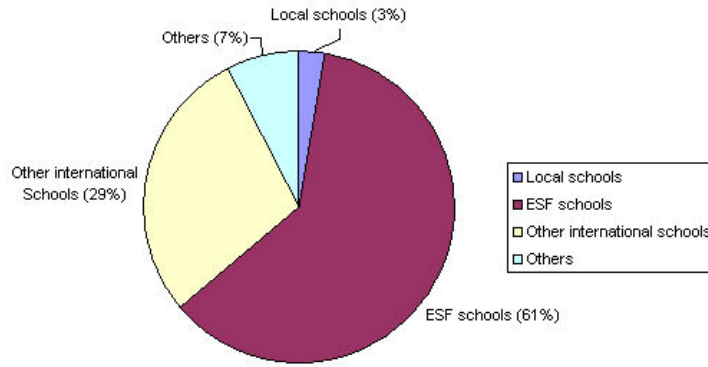
Source: HESA, AEI, IIE, MoE NZ

Sources of HK students into UK universities



Source: UCAS

Applications from schools in Hong Kong



Source: UCAS

Access to Higher Education

Number of publicly funded places: 14,500

Number of qualified students:

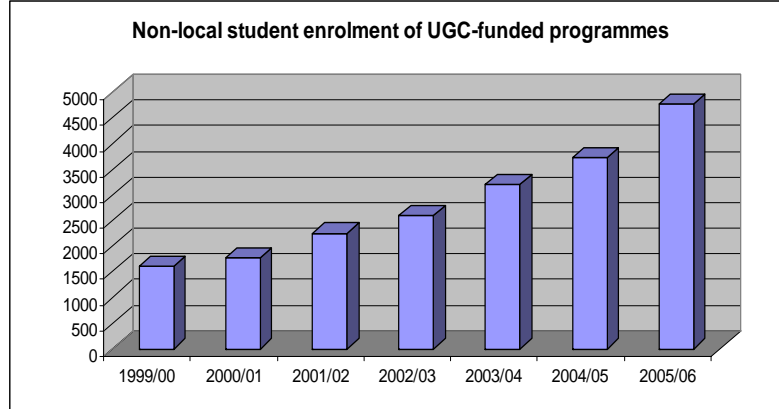
pre-2012 16,300

post-2012 34,000

2012 Shortfall: 19,500

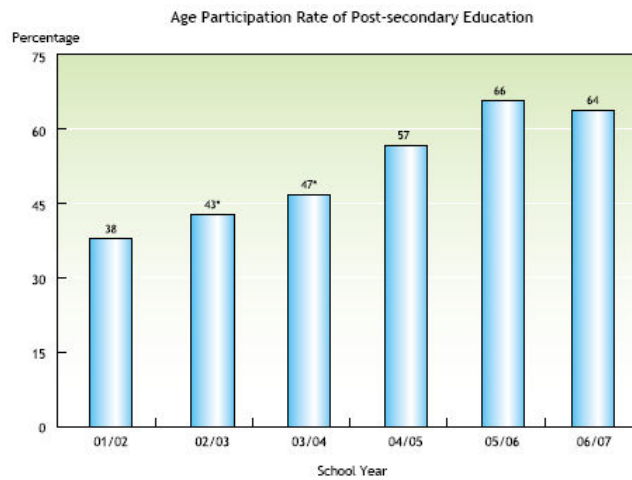


EDUCATION UK PARTNERSHIP



Source: UGC

EDUCATION UK PARTNERSHIP

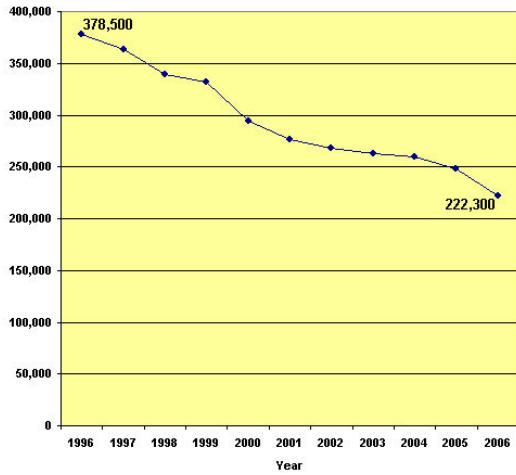


Source: EMB

Notes: Age participation rate measures the provision of post-secondary education opportunities for the target population aged 17-20.

EDUCATION UK PARTNERSHIP

Number of children aged under 4 in Hong Kong 1996-2006



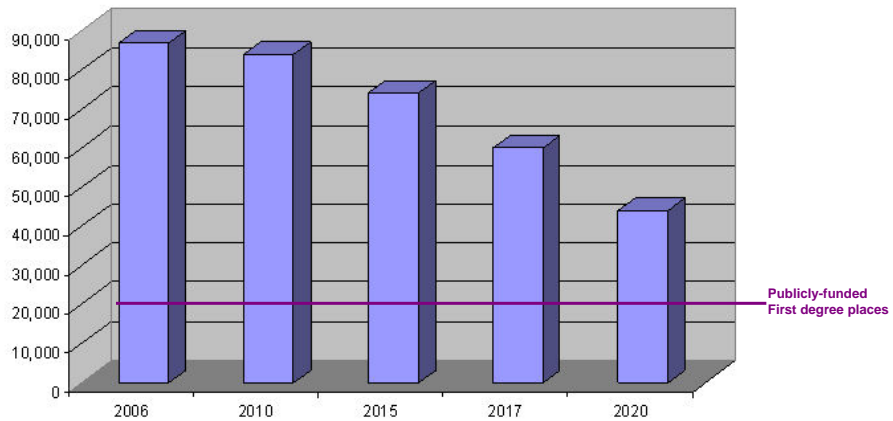
Source: Hong Kong Census & Statistics Department



EDUCATION UK PARTNERSHIP

The demographics – looking forward

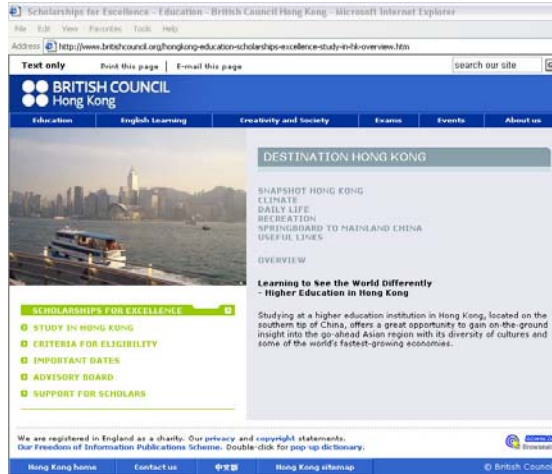
Number of 18 year olds



Source: Hong Kong Census & Statistics Department



Study in Hong Kong web page



Highlighting UK innovation



The way ahead

- Build UK profile in Hong Kong
- Strengthen links between UK and HK schools, colleges and universities
- Research new markets in Hong Kong
 - The new independent sector
- Build new networks with local independent schools



Thank you



Hong Kong country partnership meeting

9 February 2007

Briefing by Katherine Forestier, Director of Education Services,
British Council Hong Kong

Hong Kong is one of your most important markets. And it can remain important despite the challenges *it faces*.

There's huge changes going to affect this market.

- * Education reforms.
- * Increasing local access.
- * Student population decline.
- * Competition.

There's more than 18,000 HK students in the UK. But new HESA figures out last week indicates the challenge ahead. A 12% decline in higher education. Numbers are down nearly 1000 at undergraduate level and 350 at postgraduate.

The numbers in UK schools has remained pretty level since 2000, and have done well against Australia, which have declined in the last year.

The schools and 6th form sectors in the UK are crucial to the higher education market from Hong Kong, accounting for more than 80 per cent of students studying at higher level.

But what are the prospects for the coming years?

To answer *that* question we need to understand the massive changes going on in HK education.

Hong Kong is going where England and Wales feared to tread in getting rid of HKCEEs and A-levels and replacing them with a single baccalaureate style diploma and 4-year degrees.

The impact of this could be huge. For first time all students will be able to complete senior secondary here in HK. Currently, every year Hong Kong has about 22,000 students qualified but unable to find A-level places in the public sector. **From 2009 they'll all be able to stay on. A potential loss of 22,000 in the market place.**

The government is striving to upgrade the quality and quantity of schooling.

But it remains to be seen how parents will react. Public confidence is low in the quality of HK schooling, as revealed in a recent SCMP survey. Parents are concerned about the pressures students face. And large classes which government's not reducing. 40 isn't uncommon. Its decision to retain a selective system for secondary school puts pressure on children and families. Those who don't win places in popular Band One and English medium schools may look for alternatives, if they can afford to.

Parents are also not sure how the new senior secondary curriculum will pan out. In that context, families with the financial means will use money to exercise choice. And they have confidence in UK schools.

But, the exchange rate – now more than \$15 to the Pound, could have an impact, for all sectors. We can respond by doing more to promote A-levels in FE, for those priced out of the private sector.

We're analysing the schools market to see how it might change. We need to know because in the past the market's been supported by Civil Service Education Allowance. That has been reduced and frozen in last year. It is worth only £7400 at secondary - not enough to cover half the school fees. And no one joining the service after August 1996 gets the overseas allowance.

Our research will look at the impact of this.

INDEPENDENT SECTOR

There **is** another important development that could hit the schools market, but also presents important new opportunities for UK universities.

That is the rise of a strong independent sector.

Since 2000 government has been promoting this through Direct Subsidy and Private Independent school schemes.

DSS schools get recurrent and capital grants. Private independents get only the capital. Both can charge fees to invest in better resources. Many have great new campuses, or are building them. Universities and community leaders - including Li Ka Shing - are supporting some of these schools.

Teaching methods in many are more lively. Classes are smaller.

There **are** now nearly 40,000 secondary students in DSS schools while the 10 private independents will cater for another 12,000.

Most of the 10 private independents will teach IB. Two of these are run by the ESF. Indeed, whole ESF is switching to IB this September. Even some DSS schools will follow suit. **IB is flavour of the month here.**

These schools pose serious competition for UK schools. They're very popular. But demand far outstrips supply. Up to 1800 applications for 150 places in the most popular.

They also present opportunities. They appeal to more affluent families more likely to afford and value overseas higher education. The IB may make entry easier.

We're acting on this market now. We're doing research on the university destinations of their students. We're also building a **new** network with them. Some have already indicated they'd welcome university and council visits.

But they're also spelling out the issues they face with UK. These help explain why you're recruiting so few students out of Form Seven.

I'll quote one careers master from a top DSS school.

"Hong Kong students are attracted very much by UK universities, which would enrol more when they recognise the gulf in standards between HK A-levels (which have

maintained their academic rigour) and UK A-levels (which haven't). The result is UK universities reject students from HK with say 3Cs at A-level, not recognising this puts a candidate in the top 10% of academic achievement."

He may have a point. HK and UK A-levels are officially said to be comparable.

But in HK just 4% of candidates get A-grades at A-level. In UK it is 24%, and 48% in UK independent schools.

That careers master said students think if they want to go to UK for university, they must go earlier so as to get those easier As and then get into good universities.

Is this the reason why we're getting so few UCAS applications from local school?

UCAS admission data is revealing. It shows UK universities recruit very few students from local Hong Kong schools.

At least 80% are from UK boarding schools and colleges. Most of the rest are from ESF and international schools. Last year there was a maximum of just 40 from local HK schools.

If you want to increase the number of HK students you may need to look more closely at the HK grades.

Hong Kong does have strong students and overall standards are high. Pisa 2003 confirmed this. Hong Kong first in maths. 2nd problem solving. 3rd science.

As for the very top HK students who get those few As, feedback from the schools is most are interested in the Ivy League. There is a perception Ivy League universities are superior to all except Oxbridge which is seen as more difficult to get into. Chances of financial assistance are perceived to be higher in the private US universities. Australia is also a popular option, particularly on the cost and lifestyle front.

The UK may look strong, despite the decline in 2005-06. But we need to know if our competitors are more successful recruiting out of Form Six and Seven than us, and why. We can then respond, and build in this market.

HIGHER EDUCATION

Reforms may also impact the market. It could go either way with the 4-year degree. Students wanting to graduate more quickly may prefer 3 years in England and Wales.

But perhaps more significant is shortage of places. **From 2012 most students are expected to matriculate from senior secondary, including 40% with grades to study a first degree.**

That are 34,000 students. But publicly-funded places will still be limited to 14,500.

The number of those places [Hong Kong](#) students can count on is even fewer. The government [has](#) just announced plans to allow universities to allocate up to 20% to non-local students. The vast majority of these are mainland. These are the cream of the crop - top scorers in the national entrance exam.

UGC can't expand the number of places. Universities will be stretched with the fourth year, and the double intake in 2012 - A crunch year that could unnerve parents.

The government is trying to expand local provision. In December it upgraded private Shue Yan College to a university. Shue Yan is the first private university and there may be more in future. The government has created other pathways to higher education. 64% now have access to post-secondary education. Well ahead of government targets.

POPULATION DECLINE

Population decline is another challenge. Hong Kong has one of the lowest birthrates in the world.

The number of children under four has dropped 40% in the last decade. For universities, the number of 18-year-olds will half by 2020. The decline will impact the higher market around 2015. And the schools now.

But, even with the decline there's still a shortage of publicly funded places.

COMPETITION

But there's strong competition for those students. I've mentioned the US and Australia. But there's also the mainland. Those who can't get places locally and can't afford to go overseas are going there.

There's reported to be 20,000 students from HK, Macao and Taiwan in the the mainland.

We can't assume that Hong Kong students who don't get places locally must go overseas. With a widening income gap here only a minority can afford that luxury.

Market growth won't necessarily come from students on-shore. The offshore will be important - in Hong Kong and mainland.

This is the case for top-up degrees and postgraduate courses. The UK is already very active in the TNE. For postgraduate, there's at least 135 registered courses offered by UK universities here. That's not counting the purely distance learning.

We're seeing the market is complex and challenging.

But there're still opportunities. You just need to look harder and, maybe, work differently for them.

INTERNATIONALISATION

This can support future growth. Hong Kong universities, and more innovative schools, want to send as many of their own students overseas on exchange or short study visits as possible. We need to work hard to make the UK their partner of choice

We may be active in trans-national education. But HK universities have more exchanges with continental European countries and the US than with UK.

We face competing international influences. Schools are choosing Australia as their top destination for study tours. 49% of principals plan to send groups to Australia this year just 19% to the UK. This is maybe because there're so many Australians teaching in HK schools.

This is significant. If students have good experiences on exchanges or summer school, they're more likely to want to go back for full-time study.

It's important we maintain the profile of UK education in HK. The UK and the British Council have been working on building links of mutual benefit for Hong Kong and Britain. Our governments signed a memorandum of understanding last summer.

We followed up with a visit in November by vice chancellors and senior academics from 14 UK universities.

One initiative that came out of the MOU was the Scholarships for Excellence for UK students to come to Hong Kong on exchange. But it drew only 39 applications for 17 places in last round.

Many British students appear to be ignorant about the study and living environment in Hong Kong. So we've put together the Study in Hong Kong web guide which is now on our website. I urge universities to promote this.

10 years on from the handover there's a need to deepen HK and UK partnerships. Much of our work is focused on this. It highlights the quality and innovation UK education offers. We must do this because of competing national and international influences and strong local education.

It requires working closely with you. And the local education sector.

Hong Kong is a major market. There are big changes happening that will make it more challenging.

Increasing local options, some negative perceptions about UK universities, and the cost of studying in UK, may be behind last year's decline.

But UK education is still highly regarded and sought after, particularly among the well-off and employers.

We need to monitor and understand the changes and respond to the perceptions and concerns.

From there, we can tap new opportunities this era of radical reform will bring.