

## **A Review of the Recent Continuing Education Policies in Hong Kong**

CHEUNG, King Sing

School of Continuing Education, Hong Kong Baptist University

**Abstract:** Continuing education in Hong Kong evolved in 1950s as remedial education for people who missed the chance of receiving basic formal education. Along the whole development history, the period from 1998 to 2005 is critical; Not only was there significant growth in the field, the government also assumed a more proactive role and formulated a number of policies. This paper serves to review the continuing education policies in three perspectives. First, these policies are reviewed with respect to the problems and community needs. Second, these policies are reviewed with respect to the policy instruments. Third, the policy formulation and implementation process are investigated. Basically, the recent continuing education policies in Hong Kong all aim to strengthen the workforce with knowledge and skills in order to prepare themselves for the advent of a knowledge-based economy. These policies mainly rely on short-term inducements as the policy instruments. As the recipients of inducements vary in their differing capacities, preferences and objectives, there exist problems of variability. Another shortcoming is that these policies place their primary focus on the short-term performance. The long-term needs are rather undermined. Moreover, as the policies evolve without an overall plan, there exist areas of inconsistency and duplication, thus leading to counter-effectiveness policy administration.

**Keywords:** continuing education, education policy, policy review.

### **Introduction**

Continuing education conventionally means the education provided for people after they left the formal education system. In Hong Kong, continuing education evolved in 1950s as remedial education for people who missed the chance of receiving basic formal education. After half a century, continuing education is considered as a lifelong process for people at all ages to acquire knowledge and skills. The period from 1998 to 2005 is especially critical to the development of continuing education in Hong Kong. There was significant growth in terms of student numbers. The government also assumed a more proactive role and formulated a number of continuing education policies.

Policies are essentially problem-driven (Anderson, 1990). They represent government intentions, decisions and actions in response to the problems and community needs they seek to address (Cochran et al., 1999; Cochran & Malone, 1995). In recent years, the government has taken a more proactive role and formulated a number of continuing education policies, such as the launch of Workplace English Campaign and Continuing Education Fund and the establishment of a Qualification Framework. In this paper, the policies are reviewed with respect to the problems and community needs, the solutions and planning assumptions, and the policy formulation and implementation process.

It is found that the recent continuing education policies rely on short-term inducements as the policy instruments. As these policies primarily focus on the short-term needs, the long-term needs are rather undermined. Moreover, the recipients of inducements may vary in their differing capacities, preferences and objectives. The problems of variability inevitably exist, thus depreciating the outcomes. It is also found that the government took a "piece-meal" approach to formulating the policies. As a result of lacking an overall plan and coordination, there exist areas of inconsistency and duplication.

The rest of this paper is organised as follows. Following a brief description of the recent continuing education policies, I identify the problems and community needs they seek to address. The policy instruments and the policy making process are then investigated.

### **Recent Continuing Education Policies**

During the period from 1998 to 2005, a number of continuing education policies were formulated. These policies include the launch of the Workplace English Campaign and Continuing Education Fund, the extension of Non-means Tested Loan and the establishment of a Qualification Framework.

The Workplace English Campaign was launched in March 2000. The campaign has two elements (OWEC, 2006). The first element is the establishment of English competency benchmarks for employees who need to use English in their workplaces. The second element is a subsidy scheme which provides monetary subsidy for these employees to take necessary English language training courses in order to meet the relevant benchmarks. The campaign is aimed to meet the need of strengthening the workforce in English language competency so as to maintain the competitiveness of Hong Kong as an international centre of business, finance and tourism. Its objective is to heighten public awareness of the importance of workplace English and raise English standard among the workforce. It was planned that the campaign would benefit 30,000 employees. A funding of \$62 million was allocated.

The Continuing Education Fund was launched in May 2002. It provides monetary subsidy for people to pursue continuing education courses (OCEF, 2006). The fund is aimed to encourage and help people to pursue continuing education courses so as to strengthen themselves with knowledge and skills. In principle, only continuing education courses which contribute to the economic development of Hong Kong are covered in the scope of subsidy. The target was then identified to be those aged 18 to 60 who enrol in these continuing education courses. At the initial launch, degree-holders were excluded from the subsidy. This requirement was relaxed afterwards (GIO, 2003). It was planned that at least 500,000 persons could be benefited. A funding of \$5 billion was allocated.

With effective from the academic year 2000/2001, the scope of the Non-means Test Loan Scheme, which provided low-interest loan to students for paying tuition fees, was extended to cover students of continuing education courses (Tung, 1999). By providing financial assistance in the form of low-interest loan, people with financial difficulties are encouraged and enabled to take continuing education courses. According to the policy plan, interest of the loan will be charged at a no-gain-no-loss rate plus a risk-adjusted factor which seeks to cover the Government's risk in disbursing unsecured loans.

In 2002, the government began to establish a formal qualification framework in view of the situation that the existing qualification system is inadequate in fostering a vibrant, flexible and responsive environment that promotes lifelong learning. The framework essentially covers academic, vocational and continuing education sectors, links qualifications of different levels, and provides a platform for credit accumulation and transfer. The objective is to define clearly standards of different qualifications, ensure their quality and indicate the articulation ladders between different levels of qualifications, so that people can draw up their own roadmaps, set clear goals and directions to upgrade their skills and knowledge to obtain relevant qualifications (EMB, 2002; EMB, 2004). Implementation is in progress.

### **Problems, Issues and Community Needs**

Policies are problem-driven (Anderson, 1990). Policy solutions are problem-centred in the sense that policies are formulated in order to address the problems and community needs. In the following, I identify these problems and needs that provoked the recent continuing education policies, and show how these problems and needs are addressed.

In 1998, Hong Kong experienced an economic downturn, a rise in unemployment and an increase in fiscal deficit. In order to stay competitive and preserve the present economic vitality, Hong Kong have to face the challenge of economic restructuring and prepare for the advent of a knowledge-based economy - the one which effectively applies knowledge for economic and social development and growth. The underlying question is whether Hong Kong workforce are well prepared for the advent of a knowledge-based economy. The answer is rather negative due to the problems of "knowledge deficit" of the workforce and the shortage of high-educated manpower.

A knowledge-based economy is characterised by a large proportion of high-educated working population. Yet, the overall educational level of workforce is rather low.

- A significant proportion (80%) of Hong Kong population aged 15 and above is at low and middle education levels (CSD, 2003; CSD, 2004).
- The illiteracy rate of Hong Kong is rather high (1.02%, 0.63% and 0.52% in 1995, 2000 and 2005 respectively), as compared to other comparable Asian countries, such as Singapore and Korea (around 0.20% in 2005) (UNESCO, 2004a).

- The gross enrolment ratio for tertiary education of Hong Kong is 25 and 26 in 2000/2001 and 2001/2002 respectively, far below that of many developed countries, such as Australia, Canada, France, UK and USA (above 50) (UNESCO, 2004b).

Correlated with the "knowledge deficit" of the workforce, the shortage of high-educated manpower is another barrier for Hong Kong to move towards a knowledge-based economy.

- The manpower requirements at the post-secondary and tertiary levels are increasing, from 884,000 in 2001 to 1,162,600 and 1,243,600 in 2005 and 2007 respectively (EMB, 2000; EMB, 2003).
- There will be a deficit of manpower at the post-secondary and tertiary levels, (109,500 and 86,200 in 2005 and 2007 respectively) (EMB, 2000; EMB, 2003).
- There will be a surplus of manpower at the secondary level and below (151,900 and 216,000 in 2005 and 2007 respectively) (EMB, 2000; EMB, 2003).

Pinpointing the problems of the "knowledge deficit" of the workforce and shortage of high-educated manpower, it becomes the community needs to strengthen the workforce with knowledge and skills through continuing education. Yet, the participation of continuing education is still low. Some surveys identified the factors of the cause.

- About 14.6% of the economically active persons had attended job-related training courses in the past 12 months, and about 16.3% had plan to attend job-related training courses in the next 12 months (CSD, 2002).
- The most critical motivation factors for pursuing continuing education are "self-development" and "to improve job skills", and these two motivation factors become more and more significant (Shen et al., 2001).
- The factors "course fee too high" and "no money" are among the most critical deterrent factors for pursuing continuing education, and these two deterrent factors become more and more significant (Shen et al., 2001).

Meeting the need of strengthening the workforce, the recent continuing education policies are aimed to encourage and help the workforce to pursue continuing education courses. They provided solutions in two aspects. First, monetary assistances are provided to people in order to encourage and help them to pursue continuing education, as shown in Table 1. Second, some benchmarks or standards are established in order to help people to set clear goals and directions to upgrade themselves, as shown in Table 2.

Table 1: *Policy Solutions in the form of Providing Monetary Assistances*

Policy	Monetary Assistance
Workplace English Campaign	To provide subsidy to employees who need to use English in their workplaces to take English courses
Continuing Education Fund	To provide subsidy to those people aged 18 to 60 to take continuing education courses
Extension of the Non-means Tested Loan Scheme	To allow continuing education students to enjoy low-interest loan for payment of tuition fees

Table 2: *Policy Solutions in the form of Establishing Benchmarks or Standards*

Policy	Benchmark or Standard
Workplace English Campaign	To set the English competency benchmarks required for various job types and promote the benchmarks as a standard across different industrial sectors
Establishment of a Qualifications Framework	To define clear qualification standards and articulation ladders, so as to help people to set goals and directions to upgrade their skills and knowledge

As Kennedy (2002) commented, it was time that "the policy-making community has woken up to the scale and importance of the continuing education in Hong Kong". There were problems of "knowledge-deficit" of the workforce and the shortage of high-educated manpower as well as the emerging needs of strengthening the workforce. Owing to the emerging needs of strengthening the workforce, the government realised the importance of continuing education and formulated a number of policies.

### Policy Instruments

A policy instrument is an authoritative choice of means to accomplish a purpose (Anderson, 1990). In policy-making, the choice of policy instruments depends on the intended outcomes and consequences. In the following, the recent continuing education policies are analysed on their policy instruments.

According to Elmore (1987), there are four types of policy instruments, namely, mandates, inducements, capacity-building and system-changing. Mandates are "rules governing the behaviour of individuals and agencies, and are intended to produce compliance". Inducements are "conditional transfers of money to individuals and agencies for the short-term performance of certain actions". Capacity-building is something to be performed for "the purpose of investment in future material, intellectual or human resources". System-changing refers to "the transfer of authority among individuals and agencies in order to alter the system by which public goods and services are delivered".

The recent continuing education policies mainly offer inducement-based solutions, such as to provide monetary assistance to people in order to encourage and help them to pursue continuing education courses. The monetary assistance is basically "transfers of money" to people who pursue continuing education while the act of pursuing continuing education is the short-term performance elicited. Table 3 summarises these inducements.

Table 3: *Inducements Provided by the Recent Continuing Education Policies*

Policy	Inducements and Required Performance
Workplace English Campaign	Inducements : Subsidy of tuition or examination fees Performance : To pursue English language training courses and attain the required benchmark

Continuing Education Fund	Inducements : Subsidy of tuition fees Performance : To pursue a registered continuing education course, under a list of industrial sectors
Extension of the Non-means Tested Loan Scheme	Inducements : Loan for payment of tuition fee Performance : To pursue a continuing education course offered by a list of approved institutions

Typically, in policy making, inducements tend to be used for meeting the short-term needs. Because resources are limited, the government attention is placed on how to use the limited resources to achieve the short-term goals. Resources, which refer to the financial funding, were allocated to launch the subsidy schemes and loan schemes. In the policy planning, the government made reasonable estimates on the amount of resources to be allocated and the number of persons to be benefited, as shown in Table 4. Accordingly, targets or quotas are set out, for example, 30,000 persons and 500,000 persons to be benefited from the Workplace English Campaign and Continuing Education Fund respectively. These are short-term targets to be met in a few years ahead. It is shown that 74% of the fund of the Workplace English Campaign and 20% of the Continuing Education Fund have been used up. The funds will be exhausted after several years.

Table 4: *Resources Allocated in the Recent Continuing Education Policies*

Policy	Resources Allocated and the Latest Status
Workplace English Campaign	Resources : \$50 million (for 30,000 persons) Latest status : As at April 2004, \$37.2 million (74%) had been used up, and 20,500 persons received the benefits (GIO, 2004).
Continuing Education Fund	Resources : \$5 billion (for at least 500,000 persons) Latest status : As at January 2005, \$1 billion (20%) had been used up or earmarked (SFAA, 2005a).
Extension of the Non-means Tested Loan Scheme	Resources : No funding is allocated, since the scheme operates on "no-gain-no-loss" basis Latest status : As at 2003/2004, 39,226 applications were approved and loans amounting to \$1,304 million were offered (SFAA, 2005b).

According to Elmore (1987), since the recipients of inducements may vary in their differing capacity, preferences and objectives, inducements may create problems of variability. Hence, in designing policies which rely on short-term inducements as the policy instruments, it is very important for the government to make the right choice of a package of money and conditions which can be sufficient to produce the desired performance, while maximising the quality and minimising the variability.

Among the recent continuing education policies, monetary subsidy and assistance are provided to people in order to encourage and help them to pursue continuing education. The intended target group is those who will pursue continuing education only if they are

encouraged and helped in the existence of monetary assistance. However, the recipients of the monetary assistance may not be exactly this intended target group. Some would not be encouraged to pursue continuing education even that subsidy or assistance are provided, while some others would anyway pursue continuing education even that no subsidy or assistance are provided. Besides, the policies are intentionally aimed to strengthen the workforce in order to prepare themselves for the advent of the knowledge-based economy. Hence, it is expected that the recipients of the monetary assistance would contribute what they learned to their workplaces. However, there may be variations. As for example, some may receive the subsidy to study continuing education courses just purely for personal interests, and not for job or career purposes. Some other may receive the subsidy to study a continuing education course and then plan to retire soon.

### **The Policy Making Process**

The policy-making process can be analysed using Kingdon's garbage-can model (Kingdon, 1995). When we look into the policy-making of the recent continuing education policies, it can be found that the policies evolved separately, with their own focal problems, aims and objectives, solutions, targets and planning assumptions. The government took a "piece-meal" approach to recognising the problems and community needs, identifying policy objectives, formulating and implementing the policies individually. The situation can be explained by Kingdon's Garbage-Can model of policy making.

Kingdon's Garbage-Can model is an extension of Cohen's model of organisational choices (Cohen et. al., 1972). In Kingdon's Garbage-Can model, there are three separate streams of processes, namely, "problem", "solution" and "politics" (Kingdon, 1995). The "problem" stream captures the government attention on the problems and community needs. At the same time, there is a community of specialists that concentrates on solving the problems. Policy solutions are then generated to address the problems and community needs. This refers to the "solution" stream. The "politics" stream is composed of public opinions, changes in administration and interest group campaigns.

While the "problem", "solution" and "politics" streams operate independently, they may connect at times. There would open a "policy window" that leads to problem recognition, agenda setting and creation of policies. The streams are combined in a "garbage can" and the outcome is characterised by the problems, solutions and the participants in the mix. In the following, I will elaborate the "problem", "solution" and "politics" streams of the recent continuing education policies. The problems of inconsistency and duplication among these policies are then discussed.

In recent years, there evolved a stream of problems that captured the government attentions on continuing education.

- The English language competence of the workforce need to be enhanced in order to maintain the competitive edge of Hong Kong as an international centre of business, finance and tourism.
- There is a lack of benchmarks on workplace English for employees who need to use English in their workplaces to follow.
- There are problems of "knowledge deficits" of the workforce and shortage of high-educated manpower. The workforce need to upgrade their knowledge and skills in order to cope with the economic development of Hong Kong.
- Lacking clear standards of qualifications and indications on the articulation ladders between different levels of qualifications, people find difficulties in setting their goals and directions to upgrade their skills and knowledge.

In order to cope with the problems and needs, a stream of feasible solutions had been generated.

- It was proposed to establish the workplace English competency benchmarks as a standard across industrial sectors.
- It was proposed to establish a scheme to encourage and help employees to pursue English language training courses by providing monetary subsidy.
- It was proposed to launch a fund to encourage and help people to pursue continuing education courses under a range of industrial sectors which would contribute to the economic development of Hong Kong.
- It was proposed to establish a framework on the standards and articulation ladders for people to set goals and directions to upgrade themselves.
- It was proposed to release financial burden of the workforce in pursuing continuing education by providing low-interest loans and deductions in salary tax assessment.

There are some political and socio-economic factors which determine the plausibility and possibility of the continuing education policies. This refers to the "politics" stream.

- Hong Kong has been facing an economic restructuring. The workforce need to strengthen themselves in preparation for a knowledge-based economy.
- In moving towards a knowledge-based economy, there will be a shortage of high-educated and a surplus of low-skilled manpower. The consequences can be serious, such as high unemployment and discontent of the government.
- Facing a high unemployment rate, it is both the government and politicians' concerns that low-skilled workers need to upgrade themselves.
- The workforce need to strengthen themselves in order for Hong Kong to maintain its economic vitality. This is a concern of business enterprises and overseas investors.

In recent years, after an economic downturn, the windows of opportunity were opened to allow the problems, solutions and politics to come together. These problems and community needs were recognised. Policy solutions were generated accordingly. With the supports from



both the government (in funding) and politicians (in opinion), the proposed solutions were adopted and formulated as policies.

However, because of lacking an overall plan and coordination, there are areas of inconsistency and duplication among the policies. For example, the policies provide monetary assistance to encourage and help people to pursue continuing education courses but different modes of assistance are used. Some provide the assistance in the form of subsidy whilst some others provide the assistance in the form of low-interest loan. Not only the amounts of assistance are different among the policies, the administrative procedures such as on the processing of claim applications and the mechanism of monitoring and control are also different. The eligibility criteria are different although their targets are the same. The scopes of coverage are overlapping with each other. Also, the policies are separately administered with overlapping areas in operation. These lead to counter-effective policy administration.

### **Conclusion**

The period from 1998 to 2005 is critical to the development of continuing education in Hong Kong. In contrast to its laissez-faire in earlier years, the government assumed a more proactive role and formulated a number of policies, in which significant resources amounting to several billion dollars were allocated. In this paper, the policies are reviewed in three aspects. The first aspect is on the problems and community needs of continuing education. The second aspect is on the inducement-based policy solutions. The third aspect is on the overall policy-making process.

Policies are essentially problem-driven and problem-centred. In response to the problems and community needs of strengthening the workforce, the government formulated a number of policies, such as the Workplace English Campaign and Continuing Education Fund. It is not difficult to understand why the government became more proactive, as the significance of the problems and needs is of concerns. If the problems are not resolved, the consequences can be fatal : The current economic vitality and competitiveness would no longer be maintained and a high unemployment would be resulted.

Among the recent continuing education policies, the policy instruments are mainly short-term inducements, such as providing monetary subsidy and loan. Inevitably, inducements are effective means to elicit short-term performance (pursuing continuing education courses) if the performance cannot be produced otherwise. As Elmore's concepts of policy instruments imply, inducements tend to be used for meeting the short-term needs. This explains why the government attention is mainly placed on how to use the limited resources to achieve the short-term goals or targets. As also implied by the concepts of inducements, there always exist problems of variability.

On the other hand, the overall policy-making process is rather "piece-meal" in the sense that, once a specific problem is recognised, a specific policy is formulated to cope with it. In this paper, the situation was elaborated using Kingdon's garbage-can model. Because of lacking an overall plan and coordination among the policies, there are areas of inconsistency, such as on the amount, mode and eligibility criteria of subsidy or assistance. There are also areas of duplications, such as the overlapping scope of the subsidised courses and the entitlement of more than one subsidy or assistance scheme for the same person.

Looking forwards, the policy focus should be placed on the long-term goals, strategies and measures. It is desirable if the government would assume both a steering role to work out long-term plans to sustain the development of continuing education and a monitoring role to coordinate different continuing education policies in order to avoid inconsistency and duplication in policy administration.

## References

- Anderson, J. (1990), *Public Policymaking*, Boston : Houghton Mifflin.
- Cochran, C. E. et al. (1999), *American Public Policy*, New York : St. Martin Press.
- Cochran, C. L. & Malone, E. F. (1995), *Public Policy : Perspectives and Choices*, Boston : McGraw Hill.
- Cohen, M.D. et al. (1972), "A Garbage Can Model of Organisational Choice", *Administrative Science Quarterly*, Vol. 17, pp. 1-25.
- CSD (2002), *Hong Kong Statistics : Social Topics Studies*, Census and Statistics Department, Hong Kong Government.
- CSD (2003), *Hong Kong in Figures 2003*, Census and Statistics Department, Hong Kong Government.
- CSD (2004), *Hong Kong in Figures 2004*, Census and Statistics Department, Hong Kong Government.
- Elmore, R. F. (1987), "Instruments and Strategy in Public Policy", *Policy Studies Review*, Vol. 7, No. 1, pp. 174-186.
- EMB (2000), *Report on Manpower Projection to 2005*, Education and Manpower Bureau, Hong Kong Government.
- EMB (2002), *Setting up a Qualification Framework and its Associated Quality Assurance Mechanism*, Paper submitted to the Legislative Council Panel of Manpower, November 2002, Education and Manpower Bureau, Hong Kong Government.
- EMB (2003), *Report on Manpower Projection to 2007*, Education and Manpower Bureau, Hong Kong Government.
- EMB (2004), *Establishment of a Qualification Framework and its Associated Quality Assurance Mechanism*, Paper submitted to the Legislative Council, March 2004, Education and Manpower Bureau, Hong Kong Government.
- GIO (2003), "Continuing Education Fund Open to Degree Holders", *Government Announcement*, 31 August 2003, Government Information Office, Hong Kong Government.

- GIO (2004), "Legislative Council Question on the Funding Scheme for Workplace English Training", *Government Announcement*, 19 May 2004, Government Information Office, Hong Kong Government.
- Kennedy, P. (2002), "Continuing Education in Hong Kong : Policy Rhetoric and Policy Reform", In : Cribbin, J. & Kennedy, P. (Eds.), *Lifelong Learning in Action : Hong Kong Practitioners' Perspectives*, Hong Kong : Hong Kong University Press.
- Kingdon, J.K. (1995), *Agenda, Alternatives and Public Policies*, New York : Harper Collins.
- OWEC (2006), *Website of the Workplace English Campaign*, Office of the Workplace English Campaign, Hong Kong Government ([www.english.gov.hk](http://www.english.gov.hk)).
- OCEF (2006), *Website of the Continuing Education Fund*, Office of the Continuing Education Fund, Hong Kong Government ([www.info.gov.hk/sfaa/cef/](http://www.info.gov.hk/sfaa/cef/)).
- SFAA (2005a), *Statistics on the Continuing Education Fund Scheme 2005*, Student Financial Assistance Agency, Hong Kong Government.
- SFAA (2005b), *Summary Statistics on Non-Means Tested Loan Scheme 2005*, Student Financial Assistance Agency, Hong Kong Government.
- Shen, S. M. et al. (2001), *A Survey on the Demand of Continuing Education in Hong Kong*, Hong Kong : The School of Professional and Continuing Education of University of Hong Kong.
- Tung, C. H. (1999), *The Chief Executive's Policy Address to the Legislative Council*, Hong Kong Government, para. 77.
- UNESCO (2004a), "Statistics on Illiteracy Rate", *Global Education Digest*, Institute of Statistics, UNESCO.
- UNESCO (2004b), "Gross Enrolment Ratio for Tertiary Education", *Global Education Digest*, Institute of Statistics, UNESCO.